

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 919

(Prince George's County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

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**Prince George's County - Alcoholic Beverages - Additional Licenses**  
**PG 318-06**

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This bill increases the number of Class B type alcoholic beverages licenses that may be issued in Prince George's County by 32. Specifically, the bill increases the number of Class B beer and light wine licenses from 38 to 45; Class B beer, wine, and liquor licenses from 170 to 185; Class BCE beer, wine, and liquor licenses from 3 to 8; and Class BH beer, wine, and liquor licenses from 20 to 25. The new Class B licenses issued under the authority of the bill would not have off-sale privileges.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County annual license fee revenues could increase by \$57,900 beginning in FY 2007; the county could realize an additional \$22,400 in revenues in FY 2007 only due to the one-time application fee. Expenditures would not be affected.

**Small Business Effect:** Overall minimal, but potential meaningful for a business able to acquire a license because of the increased number that may be issued.

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**Analysis**

**Current Law:** The Prince George's County Board of License Commissioners may issue up to 38 Class B beer and light wine licenses; 170 Class B beer, wine, and liquor

licenses; 3 Class BCE beer, wine, and liquor licenses; and 20 Class BH beer, wine, and liquor licenses.

**Background:** Chapter 628 of 1980 set the number of Class BCE beer, wine, and liquor licenses at three. Chapter 343 of 1985 increased the number of Class BH beer, wine, and liquor licenses from 10 to 20. Chapter 453 of 1997 increased the number of Class B beer and light wine licenses that may be issued from 35 to 38, as well as the number of Class B beer, wine, and liquor licenses that may be issued from 164 to 170.

**Local Fiscal Effect:** The annual license fee for a Class B beer and light wine license is \$330; the annual license fee for a Class B beer, wine, and liquor license is \$1,320 (on-sale only); the annual license fee for a Class BCE beer, wine, and liquor license is \$3,300; and the annual license fee for a Class BH beer, wine, and liquor license is \$3,850. Assuming all the additional licenses would be issued in fiscal 2007, the total annual increase in license fees would be \$57,860 beginning in fiscal 2007. **Exhibit 1** shows the increase in license fees for each type of license issued. Additionally, revenues would increase by \$700 for each license issued as a result of this authority for a one-time application fee. Assuming all the new licenses would be issued in fiscal 2007, application fee revenues would increase by an additional \$22,400 in that year only.

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**Exhibit 1**  
**New License Fee Revenues**

<u>License</u>	<u>Additional Licenses</u>	<u>License Fee</u>	<u>Revenue Increase</u>
Class B beer and light wine	7	\$330	\$2,310
Class B beer, wine, and liquor	15	1,320	19,800
Class BCE beer, wine, and liquor	5	3,300	16,500
Class BH beer, wine, and liquor	5	3,850	<u>19,250</u>
<b>Total Revenue Increase</b>			<b>\$57,860</b>

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**Additional Information**

**Prior Introductions:** This bill is similar to HB 1107 of 2005 as amended and passed in the House. It passed the Senate with amendments but no further action was taken by the House.

**Cross File:** None.

**Information Source(s):** Prince Georges County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2006  
mll/hlb Revised - House Third Reader - March 31, 2006

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