

**Department of Legislative Services  
Maryland General Assembly  
2007 Session**

**FISCAL AND POLICY NOTE  
Revised**

House Bill 503  
Economic Matters

(Prince George's County Delegation)

Education, Health, and Environmental Affairs

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**Prince George's County - Alcoholic Beverages - Class B-DD (Development  
District) License  
PG 304-07**

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This bill authorizes the Prince George's County Board of License Commissioners to issue a Class B-DD (development district) 7-day beer, wine, and liquor license for on-sale consumption.

The bill takes effect July 1, 2007.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County revenues could increase by \$6,900 in FY 2008 and by \$5,500 annually beginning in FY 2009. County expenditures would not be affected.

**Small Business Effect:** Potential meaningful for restaurants that are able to obtain class B-DD liquor licenses in specified areas.

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**Analysis**

**Bill Summary:** A Class B-DD (development district) 7-day beer, wine, and liquor license can be issued to a restaurant, for on-sale consumption, located in the Capital Plaza Commercial Area. This area consists of commercial properties bounded by the

Baltimore-Washington Parkway on the west and northwest, Maryland Route 450 on the south, and Cooper Lane on the east and northeast.

A Class B-DD license holder must have average daily receipts from the sale of food and nonalcoholic beverages exceeding the average daily receipts from the sale of alcoholic beverages. The license holder must submit a monthly report to the board of license commissioners verifying the percentage of average daily receipts from food and nonalcoholic beverages. The board of license commissioners may revoke a license if a license holder fails to provide the monthly reports or meet the required percentage of sales from food and nonalcoholic beverages.

The board of license commissioners must determine the number of, and persons to whom, Class B-DD licenses are to be issued, and the number of licenses each recipient may hold. The board of license commissioners may not issue more than four Class B-DD licenses.

A Class B-DD license may be transferred from one license holder to another only if it is to be used at the same location. A license holder may hold a Class B-DD license in addition to other licenses under specified circumstances. Holders of Class B-DD licenses are also exempt from certain restrictions on holding multiple licenses. A Class B-DD license may not be issued to a restaurant within a chain store, supermarket, discount house, or convenience store. The annual license fee for a Class B-DD license is \$2,750.

**Background:** Prince George's County indicates that this bill would allow some chain restaurants that already hold the maximum number of B licenses in Prince George's County to open additional locations should they be issued a Class B-DD license.

**Local Fiscal Effect:** Prince George's County estimates that this bill will result in two or three applications for a Class B-DD license in the Capital Plaza Commercial Area. Each license application will result in a one-time application fee of \$700. Each approved license will provide annual revenues of \$2,750. Accordingly, Prince George's County revenues could increase by \$6,900 in fiscal 2008 and \$5,500 annually beginning in fiscal 2009. This estimate is based on the issuance of two licenses in fiscal 2008. Monitoring of the additional licenses could be handled with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None designated although SB 115 is identical.

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

**Fiscal Note History:** First Reader - February 15, 2007  
mll/hlb Revised - House Third Reader - March 24, 2007  
Revised - Enrolled Bill - May 7, 2007

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