

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

House Bill 763  
Economic Matters

(Montgomery County Delegation)

Education, Health, and Environmental  
Affairs

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Montgomery County - Town of Kensington - Alcoholic Beverages - Special B-K  
Licenses and Restaurant Licenses  
MC 702-07

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This bill adds three additional commercial locations in the Town of Kensington that the Montgomery County Board of License Commissioners may issue a Special B-K beer and wine license or a Special B-K beer, wine, and liquor license. These three areas may not serve alcoholic beverages after 11 p.m. The bill also reduces from 70% to 50% the overall percentage of daily receipts that must be from the sale of food for all holders of a Special B-K license in the Town of Kensington.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Montgomery County revenues could increase by \$3,100 in FY 2008 and by \$2,500 annually beginning in FY 2009. County expenditures would not be affected.

**Small Business Effect:** Potential meaningful for restaurants that either hold or are able to obtain Special B-K liquor licenses in specified areas.

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Analysis

**Bill Summary:** The Montgomery County Board of License Commissioners may approve an application for a Special B-K license in the following three additional locations: (1) East Howard Avenue; (2) Armory Avenue, between Howard Avenue and

Knowles Avenue; or (3) Montgomery Avenue, between Howard Avenue and Kensington Parkway.

The bill also provides that the board of license commissioners approve license applications in areas of Kensington where alcoholic beverage licenses are permitted in the same manner as applications in other identified central business zones, the Rockville Town Center Performance District, and the Takoma Park Transit Impact Area.

**Current Law:** With some exceptions, the Montgomery County Board of License Commissioners may not issue an alcoholic beverage license in the Town of Kensington. There are eight areas specified where the board of license commissioners may issue a Special B-K license for use at a restaurant in the Town of Kensington. A Special B-K license allows for on-sale consumption only. Currently, a licensee shall maintain a minimum average daily receipts from the sale of food (excluding carryout food) of at least 70%.

**Background:** One business currently holds a Special B-K license in the Town of Kensington.

**Local Fiscal Effect:** Montgomery County estimates that this bill will result in one application for a Special B-K license in the Town of Kensington. Each license application will result in a one-time application fee of \$568. Each approved license will provide annual revenues of \$2,500. Accordingly, Montgomery County revenues could increase by \$3,100 in fiscal 2008 and by \$2,500 annually beginning in fiscal 2009. Monitoring of the additional licenses could be handled with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 16, 2007  
ncs/hlb

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Analysis by: Erik P. Timme

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510

