

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 1027
Economic Matters

(Prince George's County Delegation)

Prince George's County - Alcoholic Beverages - Extinguishment of Licenses
PG 323-09

This bill requires the Prince George's County Board of License Commissioners to declare an alcoholic beverages license extinguished if the holder of the license informs the board in writing that the holder does not intend to operate the licensed establishment and provides evidence to the board's satisfaction that all taxes or obligations to wholesalers or other persons have been paid. A license extinguished in this manner may not be replaced by the board and counts towards the statutory limits on alcoholic beverages licenses in Prince George's County.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal decrease in license fee revenues in Prince George's County due to extinguished licenses that cannot be replaced, but would still be counted towards the county's statutory quota on licenses. The exact number of licenses that may be extinguished under the bill cannot be reliably determined at this time, but is expected to be minimal.

Small Business Effect: Potential minimal impact to businesses that may have to wait longer for an alcoholic beverages license due to fewer licenses becoming available in the county.

Analysis

Current Law: The number of licenses of each class of alcoholic beverages license in Prince George's County may not exceed specified statutory limits. Typically, when a license expires for revocation, cessation of business, or nonrenewal, the license is eligible to be issued to another business, so long as the new assignment does not violate statutory limits.

Local Fiscal Effect: The bill requires that a licensee actively inform the board of his/her intention not to run the business in order for the board to extinguish the license. Thus, extinguishment is not a default action. The number of extinguished licenses in the county will depend on the number of licensees that actively pursue this course of action.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 19, 2009
mam/mwc

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