

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1093
Economic Matters

(Prince George's County Delegation)
Education, Health, and Environmental Affairs

**Prince George's County - Bladensburg - Alcoholic Beverages - Development
District Licenses
PG 312-11**

This bill authorizes the Prince George's County Board of License Commissioners to issue up to two Class B-DD (Development District) licenses to restaurants located within the zoned development district of the City of Bladensburg. For each such license a person is issued, the person may obtain one other Class B license located anywhere in the county if all Class B license requirements are met. The second license is subject, however, to keeping the development district restaurant open. A license holder has six months from the closure of the development district restaurant to reopen that restaurant before the second license terminates.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County license fee revenues increase by \$4,600 in FY 2012 and by \$20,100 in FY 2016.

Small Business Effect: Potential meaningful.

Analysis

Current Law: A Class B-DD (Development District) license is a 7-day beer, wine, and liquor license for on-sale consumption only. The annual license fee is \$3,025. An additional annual fee of \$850 is required for sales on Sundays. An initial license application fee of \$700 is also required for new licenses.

The Prince George's County Board of License Commissioners may issue:

- up to four Class B-DD (Development District) licenses for restaurants located within the Capital Plaza commercial area, consisting of commercial properties within the area 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; and
- up to four Class B-DD (Development District) licenses for restaurants located within the area of Greenbelt Station, located inside the Capital Beltway and adjacent to the Greenbelt Metro Station.

A Class B-DD license may be issued only for a restaurant within any single area designated. Ownership of the license may be transferred from one license holder to another if the license is to be used at the same location but may not be transferred for use at a different location. The board must determine the number of Class B-DD licenses to be issued, the persons to whom Class B-DD licenses are to be issued, and the number of licenses each recipient may hold.

The board may not issue a Class B-DD license to any restaurant located within the Capital Plaza commercial area or the area of Greenbelt Station, if, at the time of issuance (1) there are four restaurants operating with a Class B-DD license within that area; or (2) the applicant for that license is the license holder of three Class B-DD licenses.

A license holder may hold a Class B-DD license in addition to any other alcoholic beverages license. A Class B-DD license may not be issued to a restaurant located within a chain store, supermarket, discount house, drug store, or convenience store.

A restaurant within the Capital Plaza commercial area or the area of Greenbelt Station is not eligible for a Class B-DD license unless it satisfies all licensee requirements and its average daily receipts from the sale of food and nonalcoholic beverages exceed its average daily receipts from the sale of alcoholic beverages.

Local Fiscal Effect: Prince George's County reports that the demand for Class B-DD licenses in the county has been relatively low. It is estimated that this bill may lead to the issuance of one new development district license, with Sunday sales privileges, in

Bladensburg per year over the next five years. For fiscal 2012, this would mean that alcoholic beverages license fee revenues for the county increase by \$4,575 (\$3,025 + \$850 + \$700). Assuming that the growth rate would be one new licensee in the district per year, and that all existing licensees would renew, license fee revenues increase by \$20,075 by fiscal 2016.

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 25, 2011
mc/hlb Revised - House Third Reader - March 26, 2011

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