

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

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

House Bill 1095  
Economic Matters

(Prince George's County Delegation)

Education, Health, and Environmental Affairs

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**Prince George's County - Alcoholic Beverages - Development District Licenses**  
**PG 302-11**

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This bill authorizes the Prince George's County Board of License Commissioners to issue up to six Class B-DD (Development District) licenses to restaurants located within the area of Ritchie Station Marketplace. The bill increases, from four to six, the number of Class B-DD licenses that may be issued to a qualified restaurant located within the Capital Plaza commercial area or within the area of Greenbelt Station and Ritchie Station Marketplace. In addition, for each Class B-DD license issued anywhere in the county, the bill authorizes a Class B-DD license holder to obtain one other Class B license, if all other requirements for a Class B license 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.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Prince George's County license fee revenues increase by \$4,600 in FY 2012, and by \$12,300 in FY 2014. Beginning in FY 2015, county revenues increase by \$11,600 annually.

**Small Business Effect:** Potential meaningful.

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## 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 Class B-DD license, with Sunday sales privileges, per year from fiscal 2012 through 2014. No new licenses are expected thereafter. For fiscal 2012, this would mean that alcoholic beverages license fee revenue for the county increases by

\$4,575 (\$3,025 + \$850 + \$700). Assuming that the growth rate would be one new licensee per year in fiscal 2013 and 2014, and that the new licensees from each prior year would renew, license fee revenue increases by \$12,325 by fiscal 2014. Revenue from this source, absent any new license applications, would be \$11,625 each year thereafter.

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### **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  
ncs/hlb Revised - House Third Reader - March 24, 2011

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Analysis by: Guy G. Cherry

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