

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE
Revised

House Bill 817
Economic Matters

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

Prince George's County - Alcoholic Beverages - Entertainment Permit -
Exemptions and Revisions
PG 307-12

This bill adds to the exemptions from the requirement for an alcoholic beverages license holder in Prince George's County to obtain an entertainment permit. Newly exempt establishments are those that hold (1) a Class B (on-sale) restaurant license that provides entertainment for adults and children that is ancillary to the business and not the primary focus of marketing or promotion for the business; and (2) a Class C veterans or fraternal license that provides entertainment under direct supervision of the license holder for adults, children, and families of the organization or the public ending no later than midnight.

The bill takes effect July 1, 2012.

Fiscal Summary

State Effect: None.

Local Effect: Specifying that certain license holders are exempt from the entertainment permit will not have a significant effect on Prince George's County revenues.

Small Business Effect: Minimal.

Analysis

Bill Summary: In addition, for licensed premises that must obtain an entertainment permit, the holder must comply with zoning and use and occupancy laws and regulations, and may not have any unpaid taxes due to the State, the county, or a municipal corporation. The local licensing board may immediately suspend an entertainment permit

for a violation of a county zoning property standard or use and occupancy requirement. In considering a suspension, the board must determine whether the permit holder violated the entertainment permit provision or another law.

Current Law: Chapter 684 of 2010 authorized the Prince George's County Board of License Commissioners to issue a special entertainment permit to the holder of any Class B (on-sale) license. The board must determine the number of days in a week that the permit holder may exercise the privileges of the permit. The annual permit fee is \$1,500, which is in addition to the annual fee for the Class B license. The permit authorizes a holder, after 9 p.m. and until 2 a.m., to impose a cover charge, offer facilities for patron dancing, and provide entertainment.

Chapter 684 specified (1) hearing requirements for the issuance, renewal, and revocation of an entertainment permit; (2) requirements for security plans for affected establishments; and (3) procedural requirements and penalties for violations.

Chapter 684 took effect July 1, 2010, and requires the board to report on the activities of permit holders and the impact of entertainment permits on the county by November 1, 2013. The report must be submitted to the Prince George's County House and Senate delegations and must include (1) the amount of revenue raised by the permit fees; (2) the number of permits issued, suspended, or revoked; (3) the number of violations committed by permit holders; and (4) the number of complaints lodged against permit holders during fiscal 2011-2013.

Chapter 613 of 2011 provided that an alcoholic beverages license holder does not need an entertainment permit if the board determines that the licensee's principal business is to provide family entertainment or if the license is issued under related provisions applicable to:

- a restaurant for an agricultural association, agricultural fair association, or any other association duly authorized to conduct racing under the provisions of the Maryland Horse Racing Act;
- a Class B/ECF license (beer, wine, and liquor), known as an "educational conference facility" license, to the University of Maryland University College Center of Adult Education;
- a Class B-CI license (country inns);
- Class B-ECR license (Maryland-National Capital Park and Planning Commission's Equestrian Center);
- a Class B-ECF/DS beer, wine, and liquor on-sale license (Education Conference Facility/Dining Service license);
- a Class B beer, wine, and liquor stadium license;

- a Class B (TP) beer, wine, and liquor theme park license; or
- a Class B-CC (convention center) beer, wine, and liquor license.

Chapter 613 requires an entertainment permit holder to meet all applicable county law requirements and clarifies that a prohibition applicable to underage persons being allowed on the premises applies during the time the entertainment permit privileges are in use.

Background: Prior to the enactment of Chapter 684, some alcoholic beverages licenses in Prince George’s County already permitted some entertainment – such as for charitable organizations, country inns, and convention centers. Approximately 120 establishments that currently offer entertainment in the county are eligible to apply for the entertainment license. Assuming that all 120 qualified establishments seek and obtain the entertainment permit authorized under Chapter 684, additional county revenues would total approximately \$180,000 annually.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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Analysis by: Guy G. Cherry

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