

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 1431
Economic Matters

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

Prince George's County - Alcoholic Beverages Licenses - Towne Centre at Laurel
PG 320-13

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 Towne Centre at Laurel. The bill additionally removes Laurel Commons from the list of areas in Prince George's County that are underserved by restaurants.

The bill takes effect July 1, 2013.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County license fee revenues increase by \$4,600 in FY 2014 and by \$12,300 in FY 2016. Beginning in FY 2017, county revenues increase by \$11,600 annually. County expenditures are not materially affected.

Small Business Effect: Potential meaningful.

Analysis

Current Law: A Class B-DD (Development District) license is a seven-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;
- 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; and
- up to six Class B-DD (Development District) licenses to restaurants located within the area of Ritchie Station Marketplace.

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.

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.

Background: The City of Laurel advises that the Laurel Towne Centre will be a major employment center in the city providing retail, restaurants, commercial services, and entertainment. The ability for restaurants to serve alcoholic beverages with patrons' meals is seen as an important element in the success of this project.

Local Fiscal Effect: 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 2014 through 2016. For fiscal 2014, 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 2015 and 2016, and that the licensees from each prior year would renew, license fee revenue increases by \$12,325 in fiscal 2016. Revenue from this source, absent any new license application, would be \$11,625 each year thereafter.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - April 6, 2013
ncs/hlb

Analysis by: Trevor S. Owen

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