

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 1050

(Prince George's County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Prince George's County - Alcoholic Beverages Licenses - Limits and Renewal

Application Deadline for Class B Licenses

PG 305-22

This emergency bill increases, from 185 to 215, the maximum number of Class B beer, wine, and liquor licenses that the Prince George's County Board of License Commissioners is authorized to issue. The bill requires the board to accept by May 1, 2022, a license renewal application filed by the holder of a Class B license that is set to expire on May 31, 2022. The bill also authorizes the board to impose a late fee of \$1,000 for each of these license renewal applications filed after April 1, 2022.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues increase by an estimated \$23,000 beginning in FY 2023 from additional Class B beer, wine, and liquor licenses issued under the bill, as discussed below. Prince George's County revenues may also increase by \$18,000 in FY 2022 only from additional late fee revenues under the bill, as discussed below. Prince George's County can likely handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal overall, but potentially meaningful for small businesses that obtain a Class B beer, wine, and liquor license under the bill.

Analysis

Current Law: The board is authorized to issue up to 185 Class B beer, wine, and liquor licenses. The license generally authorizes the license holder to sell alcoholic beverages at a hotel or restaurant at retail for on-premises consumption only. The annual license fee is \$2,305.

Generally, a Class B license holder is required to annually file a license renewal application by April 1.

Local Fiscal Effect: Prince George's County estimates that 10 new Class B beer, wine, and liquor licenses may be issued under the bill. County revenues increase by \$2,305 per additional Class B beer, wine, and liquor license issued. Assuming 10 additional Class B licenses are issued under the bill, county revenues increase by \$23,050 beginning in fiscal 2023.

In addition, the bill authorizes the county to impose a late fee of \$1,000 for each Class B license renewal application filed after the April 1, 2022 application deadline, as specified. License renewal applications that are subject to the late fees authorized under the bill must be filed and accepted by the board by May 1, 2022. Prince George's County estimates that 18 establishments may be impacted under the bill; therefore, county revenues increase by \$18,000 from additional late fees in fiscal 2022 only.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 15, 2022
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Third Reader - April 5, 2022
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Analysis by: Valarie Munroe

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