

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 845

(Prince George's County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Prince George's County - Alcoholic Beverages - Carillon Development
PG 315-20

This bill authorizes the Prince George's Board of License Commissioners to issue up to 10 Class B-DD (Development District) licenses to restaurants located within the Carillon Development, located near the Arena Drive exit of the Capital Beltway. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County revenues increase by at least \$6,050 in FY 2021 and revenues will increase in future years to the extent the board issues additional Class B-DD licenses under the bill. Prince George's County can handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law: In Prince George's County, a Class B-DD (Development District) 7-day beer, wine, and liquor license may be issued to a restaurant in any single designated development district. The license authorizes the license holder to sell beer, wine, and liquor for on-premises consumption. The annual license fee is \$3,025.

A Class B-DD license must:

- be located in a permanent building with sufficient space and accommodations for preparing, serving, and selling hot meals during the restaurant's hours of operation;
- have the minimum sanitary facilities required by the county health department regulations;
- meet the minimum health requirements adopted by the county health department regulations;
- have a dining area with sufficient tables, chairs, or booths to comfortably seat and accommodate the public;
- be equipped with a kitchen that has complete facilities and utensils for preparing hot and cold meals for the public;
- employ a sufficient number of cooks and wait staff;
- maintain and display a menu that advertises a variety of hot meals; and
- maintain sufficient food on the premises at all times to fill an order from the menu.

An applicant for the license must ensure that the average daily receipts of the restaurant from the sale of food and nonalcoholic beverages exceed the average daily receipts from the sale of alcoholic beverages. The license holder must submit to the board a monthly report of the restaurant's average daily receipts from the sale of food, nonalcoholic beverages, and alcoholic beverages to verify that the restaurant has met these requirements. The board may revoke the license if the requirements are not met.

The board is authorized to issue Class B-DD licenses to restaurants located in multiple development districts in the county; however, the board may not issue a Class B-DD license in a single development district if six restaurants are operating with a Class B-DD license in the area, or if the applicant is a 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, as specified.

Background: The Carillion Development is a large, multiphase mixed-development area located near the Arena Drive exit of the Capital Beltway in Prince George's County. The first phase of development consists of building 135,600 square feet of retail space, a portion of which will be available for restaurants. Retail spaces are anticipated to open to the public in 2021.

In fiscal 2019, there were 616 alcoholic beverages licenses issued in Prince George's County, 349 of which were Class B licenses. There were 317 Class B-BWL licenses.

Local Fiscal Effect: For each additional license issued, Prince George's County revenues increase by \$3,025. Prince George's County estimates that two locations will apply for

Class B-DD licenses in fiscal 2021, which will result in additional license fee revenues of \$6,050. If the board issues all 10 Class B-DD licenses, annual revenues will increase by \$30,250. This estimate assumes the board is able to issue 4 additional licenses than the maximum number of 6 Class B-DD licenses currently authorized in any one development district.

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 13, 2020
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