



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## Office of Audits and Investigations

June 1, 2022

### FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.  
Council Administrator

William M. Hunt  
Deputy Council Administrator

THRU: Josh Hamlin   
Director of Budget and Policy Analysis

FROM: Malcolm Moody -   
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement  
CB-036-2022 – Business License Renewal Late Fee

CR-062-2022 – Business License Renewal Late Fee

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CB-036-2022 & CR-062-2022 (*Proposed by the Chair by request of the County Executive*)

Assigned to the Planning, Housing, and Economic Development (PHED) Committee

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AN ACT CONCERNING BUSINESS LICENSE RENEWAL LATE FEE for the purpose of adopting a new late fee of \$100 to renew an expired business license.

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### Fiscal Summary

#### Direct Impact

*Expenditures:* None likely.

*Revenue:* Potential increase in revenue.

## Indirect Impact

Potentially positive.

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## Legislative Summary:

CB-036-2022<sup>1</sup> and CR-062-2022<sup>2</sup>, proposed by the Chair at the request of the County Executive, were presented and introduced, respectively, on May 17<sup>th</sup>, 2022, and referred to the Planning, Housing, and Economic Development (PHED) Committee. The purpose of this Bill (and the accompanying Resolution) is to adopt a new business renewal late fee of \$100 for an expired business license. CB-036-2022 and CR-062-2022 would add the new business renewal late fee to Section 2-253.63<sup>3</sup> of the County Code.

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## Background/Current Law:

Under §2-253.63 of The County Code fees and charges are assessed by the County for any regulated activities that occur within the County's jurisdiction. Any new fees and charges are added to a comprehensive Table of Fees that was established after the enactment of CB-041-2015<sup>4</sup>, which requires the Director of the Department of Permitting, Inspections, and Enforcement (DPIE) to publish an annual comprehensive Table of Fees that the County Executive submits to the County Council for review. All fees and charges are subject to a 5% technology fee the exception to this fee are the multi-family rental license fee and the single-family rental license fee. The DPIE holds public informational sessions to allow for public comment whenever there is a change in the fees.

§2-253.63 (d) of the County Code states that when a proposed Table of Fees is submitted, the DPIE goes to the County Executive for approval and the County Council for legislative review and approval by resolution, after notice and a public hearing. Additionally, under §2-253.63 (f) any changes to fees and charges that are not connected to the International Code Council or industry standards will be changed by County Council approval by *resolution*, which will be after notice and public hearing. This is why despite establishing the same late fee, CB-036-2022 and CR-062-2022 are being presented to the County Council.

Currently §2-253.63 of the County Code does not have a business license renewal late fee. The enactment of CB-036-2022 and adoption of CR-062-2022 will establish a late fee of \$100 that would not be subject to a 5% technology fee.

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<sup>1</sup> Prince George's County Council - [Reference No. CB-036-2022](#)

<sup>2</sup> Prince George's County Council - [Reference No. CR-062-2022](#)

<sup>3</sup> Prince George's County Code - [§ 2-253.63](#)

<sup>4</sup> Prince George's County Council - [Reference No. CB-041-2015](#)

**Resource Personnel:**

Melinda Bolling, Director, Department of Permitting, Inspections and Enforcement  
Lori Parris, Senior Advisor, Department of Permitting, Inspections and Enforcement

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**Discussion/Policy Analysis:**

CB-036-2022, if enacted, and CR-062-2022, if adopted, would potentially incentivize timely submission of business license renewals before deadlines pass.

Enacting CB-036-2022 and adopting CR-062-2022, should require no additional costs to the DPIE, as they do not impose any additional responsibilities, but merely establish a new fee. The increased compliance should provide benefits to the community by ensuring more compliant businesses and abiding by the licensing standards set by the DPIE.

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**Fiscal Impact:**

- *Direct Impact*

Enactment of CB-036-2022 and the adoption of CR-062-2022 should require no additional expenditures. Revenue should increase as a late fee is established at \$100, with the amount of the increase tied to the number of late renewals. If the fee is successful, these additional revenues should diminish over time as compliance increases.

*Indirect Impact*

Enactment of CB-036-2022 and the adoption of CR-062-2022 could have a positive indirect impact by increasing the efficiency of the DPIE with staff workload through incentivizing permittees to submit the required information for the business license renewal process before the deadline in the approval of their permits.

*Appropriated in the Current Fiscal Year Budget*

No

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**Effective Date of Proposed Legislation:**

The Act (CB-036-2022) shall take effect 45 calendar days after it becomes law. The Resolution (CR-062-2022) takes effect immediately.

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If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email