

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 1172
Economic Matters

(Delegate Valderrama, *et al.*)

Alcoholic Beverages Sales - Prohibition on Use of Self-Scanning Cash Registers

This bill prohibits a retail alcoholic beverages licensee from selling alcoholic beverages by means of a self-scanning cash register or other automated system. If a retail licensee violates this provision, a local licensing board may (1) impose a fine of up to \$1,000 for a first offense; (2) impose a fine of up to \$2,500 for a second offense; and (3) impose a fine of up to \$2,500 or suspend or revoke the license of the licensee for a third or subsequent offense.

The bill takes effect July 1, 2013.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal increase in local revenue from the imposition of fines. Local expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Current Law/Background: There are no provisions in State law specifically prohibiting the use of self-scanning cash registers for the purchase of alcoholic beverages. However, under the Alcoholic Beverages Article, a licensee or any employee of a licensee may not sell any alcoholic beverage to a person under the age of 21 or to a person who is visibly under the influence of alcohol. A licensee who violates these prohibitions is guilty of a misdemeanor, unless the licensee can prove that due caution

was used (such as through the acceptance of a purchaser's Maryland issued driver's license or identification card, or a U.S. military identification card).

The Comptroller's *Alcohol and Tobacco Tax Annual Report* for fiscal 2012 indicates that there are 6,973 local alcoholic beverages retail licensees, as shown in **Exhibit 1**. In fiscal 2012 there were 976 retail license violations, including 456 for the sale of alcoholic beverages to a minor. Thirteen licenses were suspended or revoked in fiscal 2012.

Additional Information

Prior Introductions: None.

Cross File: SB 806 (Senator Conway) - Education, Health, and Environmental Affairs.

Information Source(s): Anne Arundel, Carroll, Charles, Frederick, Harford, St. Mary's, and Worcester counties; Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2013
ncs/hlb

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Exhibit 1
Alcoholic Beverage Retail Licenses Issued
Fiscal 2012

<u>License Type</u>	<u>Licenses Issued</u>
Class A – Off Sale	
Beer	52
Wine	0
Beer and Wine	438
Beer, Wine, and Liquor	1,052
<i>Total A Licenses</i>	<i>1,542</i>
Class B – On or Off Sale (Hotels and Restaurants)	
Beer	28
Wine	0
Beer and Wine	550
Beer, Wine, and Liquor	2,754
<i>Total B Licenses</i>	<i>3,332</i>
Class C – On Sale (Clubs)	
Beer	1
Wine	0
Beer and Wine	45
Beer, Wine, and Liquor	500
<i>Total C Licenses</i>	<i>546</i>
Class D – On or Off Sale (Taverns and On Sale Generally)	
Beer	48
Wine	0
Beer and Wine	272
Beer, Wine, and Liquor	658
<i>Total D Licenses</i>	<i>978</i>
Caterers – On or Off Sale	
Beer, Wine, and Liquor	9
Class BD-7 – On or Off Sale	
Beer, Wine, and Liquor (Baltimore City)	566
Total	6,973

Source: *Alcohol and Tobacco Tax Annual Report, Fiscal 2012, Comptroller of Maryland*
