

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 511 (Senator Stoltzfus)
Economic and Environmental Affairs

Referred to Economic Matters

Alcoholic Beverages - Worcester County
(Beer Deliveries - Cash)

This enrolled bill allows a wholesaler in Worcester County to sell beer on credit to a retail dealer who has been in business for at least two years. The term of credit may not exceed 10 days, with no grace period. A wholesaler may not intentionally deliver beer to a retail dealer on credit if the retail dealer fails to pay the balance owed or makes a payment on the debt by bad check. A wholesaler who violates this provision is subject to a fine not exceeding \$1,000 for each delivery. In addition, the board of license commissioners may not transfer or renew the license of a retail dealer who owes a balance on debt. A retail dealer who fails to satisfy a debt on three separate occasions within a single calendar year may not obtain beer on credit for a period of two years from the time of the third occurrence. The State Comptroller must enforce the bill's provisions.

The bill's provisions sunset on September 30, 1998.

Fiscal Summary

State Effect: None. The State Comptroller could enforce the bill's provisions with existing resources.

Local Effect: Worcester County revenues could be minimally affected as discussed below. Expenditures would not be affected.

Fiscal Analysis

Local Revenues: All fines imposed for violations of the Alcoholic Beverages Article are remitted to the county where the offense was committed. However, one-half of the fines imposed in Worcester County must be paid to the clerk of the circuit court for use in the law library. Accordingly, Worcester County revenues could increase depending upon the number of violations and the amount of the fines. Although the revenue increase cannot be determined beforehand, it is assumed to be minimal.

To the extent that the board of license commissioners cannot transfer or renew a retail dealer's license because the dealer owes a balance on debt, county revenues could potentially decrease. The decrease is assumed to be minimal.

Information Source(s): Worcester County, Office of the State Comptroller, Department of Fiscal Services

Fiscal Note History: First Reader - February 16, 1996
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