

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

Senate Bill 387 (Senator Craig, *et al.*)  
Economic and Environmental Affairs

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**Harford County - Alcoholic Beverages (Sale of Beer for Cash)**

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This bill allows a retail dealer to purchase beer on credit in Harford County by removing the county from the list of jurisdictions in which a manufacturer or wholesaler may not sell beer to any retail dealer except for cash.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None. Allowing retailers to buy beer on credit would not directly affect Harford County finances.

**Small Business Effect:** Potential meaningful impact on small businesses as discussed below.

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**Fiscal Analysis**

**Small Business Effect:** Under State law, manufacturers are prohibited from selling beer directly to retail dealers. Instead, they sell to wholesalers who, in turn, sell to retail dealers. In 1996 there were 70 wholesalers that sold beer to retailers throughout Maryland, and in Harford County there were 181 licensed retailers. There were approximately 3.4 million gallons of beer delivered in Harford County in 1996. The bill allows retailers to buy beer on credit. As a result, retailers could benefit by purchasing more beer than normal and/or purchasing beer at a time that better suits their cash flow needs and demand. Similarly, wholesalers could benefit by selling more beer than normal and/or selling beer at a time that better suits their business needs.

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**Information Source(s):** Office of the Comptroller, Harford County, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 18, 1997

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