

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 808 (Senator Currie)
Economic and Environmental Affairs

Referred to Economic Matters

Alcoholic Beverages - Retail Stores (Size Limitation)

This enrolled bill imposes a statewide limitation on the amount of space (not exceeding 10,000 square feet) that alcoholic beverages licensees may devote to the off-sale of alcoholic beverages. Currently, the limit only applies in Prince George's County. However, a board of license commissioners may allow expansion beyond the limit if (1) it is necessary to accommodate the public; and (2) the licensee meets the criteria for issuance or transfer of a license, and whatever other conditions that are set by the board. The limitation does not apply to licensees that exceed the size limitation on October 1, 1997. Except in Prince George's County, before a board may issue a license to a premises with more than 10,000 square feet of floor space, it must get the approval of the State Comptroller. The board must also hold a public hearing and make a determination that the premises would serve the public's need and would not adversely impact existing licensees.

Fiscal Summary

State Effect: None.

Local Effect: None. Boards of license commissioners could monitor alcoholic beverages licensees with existing resources. No effect on revenues.

Small Business Effect: Potential minimal effect on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: In 1996 there were approximately 6,900 retail alcoholic beverages licensees in Maryland. Although the number of licensees that were small businesses is unknown, the vast majority would fall into that category. The bill limits the size of floor space that is used for the sale of alcoholic beverages to 10,000 square feet; however, it does

not apply to licensees that exceed the limit on October 1, 1997. At present, the vast majority of licensees have significantly less than 10,000 square feet. Small business licensees that have in excess of 10,000 square feet of floor space on October 1 would continue their normal operations. Current licensees with less than the limit would be prevented from expanding their operations; thus, potentially placing the licensees at a competitive disadvantage. However, licensees could expand beyond the limit with the approval of the board of license commissioners if the expansion is necessary to accommodate the public. New licensees could also be at a competitive disadvantage due to the floor space restrictions.

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

Fiscal Note History: First Reader - March 3, 1997
mld Revised - Enrolled Bill - April 29, 1997

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