

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 1199 (Delegates Crumlin and Love)  
Economic Matters

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**Alcoholic Beverages - Retail Stores (Size Limitation)**

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This 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.

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**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.

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**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.

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

**Fiscal Note History:** First Reader - March 3, 1997

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