

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 452 (Delegate Mitchell, *et al.*)
Judiciary

**Alcoholic Beverages Violations - Penalties - License Suspensions and Distribution
of Fines**

This bill requires the juvenile court to order the Motor Vehicle Administration (MVA) to suspend the driver's license of a child who has misrepresented his or her age to obtain alcoholic beverages. The penalty for the first offense requires a driver's license suspension of three to six months. Subsequent offenses require a suspension of at least six months, but not extending beyond the child's twenty-first birthday. The bill also alters the penalty for individuals convicted in District Court for such offenses. For the first offense, the penalty is for a period of at least three months, but not to exceed six months. For subsequent offenses, the penalty is for a period of at least six months, but not extending beyond the child's twenty-first birthday.

In addition, the bill requires all fines collected by the District Court for violations involving the misrepresentation of a person's age in the purchase of alcoholic beverages to be credited to a special account administered by local boards of license commissioners for the purpose of subsidizing alcohol awareness training for retail alcoholic beverages licensees and their employees.

Fiscal Summary

State Effect: Special fund expenditures could increase by \$72,030 in FY 2002 to handle additional driver's licenses suspensions. General fund revenues could decrease because fines for the offenses referred to in the bill would go to boards of license commissioners.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
GF Revenue	(-)	(-)	(-)	(-)	(-)
SF Expenditure	72,030	72,242	72,462	72,692	72,930
Net Effect	(\$72,030)	(\$72,242)	(\$72,462)	(\$72,692)	(\$72,930)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The increased revenues transferred from the State would be restricted to reimbursing the retail licensees of alcoholic beverages or their employees who complete alcoholic beverage awareness training. Any additional workload for local licensing boards could be handled with existing resources.

Small Business Effect: Minimal. To the extent that those funds are available, small retail alcoholic beverages licensees and their employees could be reimbursed in whole or in part for the costs of the licensees' and employees' alcoholic beverages awareness training.

Analysis

Current Law: Anyone under the age of 21 is prohibited from obtaining alcoholic beverages. In addition, it is illegal for an individual to misrepresent the individual's age in the purchase of alcoholic beverages or knowingly furnish alcoholic beverages to someone under the age of 21. Individuals under 18 years of age who violate this law are issued a citation and the offense is usually adjudicated in juvenile court. Individuals over the age of 18 who violate this law receive a citation and are fined a maximum of \$500 for the first offense and a maximum of \$1,000 for repeat offenses. Fines for these violations are collected in District Court.

For cases heard in juvenile court, a court may order the MVA to initiate action to suspend the driving privileges of a child licensed to operate a motor vehicle by the MVA. The suspension for a first offense shall be six months, and a suspension for a second or subsequent offense shall be until the person is 21 years old. For cases heard in District Court, the court must notify the MVA of individuals found guilty of the offense. Upon receiving notification, the MVA must suspend the individual's driver's license. If found guilty by the District Court, the suspension for a first offense shall be 6 months; the suspension for a second or subsequent offense shall be until the child is 21 or a period of 1 year whichever is longer.

Background: According to the Administrative Office of the Courts, there were 2,291 underage alcoholic beverages violations in fiscal 1999. The vast majority of alcoholic beverage violations (for persons at least 18 years old) are adjudicated in the District

Court. The MVA advises that it received approximately 40 reports last year from the Howard County Circuit Court, the only circuit court that submits reports. Most of these 40 cases resulted in a license suspension. Not all of these cases deal with the offenses referenced in this bill.

Alcohol awareness programs: (1) provide instruction on how alcohol affects a person's body and behavior; (2) provide education on the dangers of drinking and driving; (3) define effective methods for serving customers to minimize intoxication; (4) provide instruction on how to cease service before a customer becomes intoxicated; and (5) provide instruction on how to determine if a customer is under the drinking age. According to the Office of the Comptroller, there are approximately 200 certified instructors on alcohol awareness in the State and it is estimated that approximately 15,000 individuals complete the awareness training each year.

State Revenues: State general fund revenues could decrease by an indeterminate amount because fines collected by the District Court for violations involving the misrepresentation of a person's age in the purchase of alcoholic beverages would be forwarded to local boards of license commissioners where the offense occurred instead of the general fund. The Judiciary has failed to provide information on the number of such violations and the amount of fines collected.

State Expenditures: State expenditures could increase by \$72,630 annually for additional contractual staff at the MVA to process suspended licenses, increased postage costs, and additional administrative hearings. Based on the number of reports from Howard County, and assuming that 75% of those reports deal with the offenses referenced in the bill, it is estimated that approximately 1,440 individuals could have their driver's license suspended. To handle the additional workload, expenditures within the MVA would increase by \$5,300 to hire one part-time contractual employee and \$490 for postage. It is estimated that one-half of the license suspensions would result in a request for an administrative hearing. The Office of Administrative Hearings expenditures would increase by \$66,240. This estimate is based on an average cost of \$92 per hearing.

Local Fiscal Effect: Local government revenues could increase by an indeterminate amount as fines collected by the District Court for violations involving the misrepresentation of a person's age in the purchase of alcoholic beverages are forwarded to local boards of license commissioners. This revenue would be used to subsidize and reimburse the costs for retail alcoholic beverage licensees and their employees to complete alcoholic beverages awareness training.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary, Department of Transportation (Motor Vehicle Administration), Baltimore City, Kent County, Montgomery County, Prince George's County, Washington County, Worcester County, Department of Legislative Services

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