

Department of Legislative Services  
Maryland General Assembly  
2002 Session

FISCAL NOTE  
Revised

House Bill 1104  
Economic Matters

(Delegate Bozman, *et al.*)

Education, Health, and Environmental Affairs

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Worcester County - Alcoholic Beverages

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This emergency bill authorizes the Worcester County Board of License Commissioners to renew a Class A beer license, beer and wine license, or wine license issued prior to January 1, 2002.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** Worcester County revenues would increase by \$975 for each Class A beer and wine license renewed that has been issued to a chain store prior to January 1, 2002. Worcester County currently collects \$8,775 in revenues due to the erroneous issuance of nine Class A beer and wine alcoholic beverage licenses to chain stores.

**Small Business Effect:** Minimal.

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Analysis

**Current Law:** Generally, a Class A, B, or D beer license, beer and wine license, or beer, wine, and liquor license, except by way of renewal, may not be granted, transferred, or issued to, or for use in conjunction with, or upon the premises of any business establishment of the type commonly known as chain stores, supermarkets, or discount houses.

There is no specific provision of law in Worcester County that authorizes the Worcester County Board of License Commissioners to renew a Class A beer, Class A wine, or a Class A beer and wine license issued prior to January 1, 2002.

**Background:** Chain stores are considered to be establishments such as 7-Eleven, Royal Farms, Shore Stop, Goose Creek, and Wine Rack. The Worcester County Board of License Commissioners advises that nine Class A beer and wine licenses have been issued to chain stores based on lease agreements that created a divergence between general merchandise operations and alcoholic beverage operations. The board further advises that during the proceedings for an alcoholic beverages license application for a Wawa convenience store a competitor without an alcoholic beverages license pointed out the statewide prohibition on granting licenses to chain stores. The board denied the Wawa application and would terminate Class A beer and wine licenses currently granted to chain stores as the licenses came up for renewal. Worcester County advises that the nine Class A beer and wine licenses currently issued to establishments considered to be chain stores generate \$8,775 in revenue annually.

**Local Effect:** Pursuant to this legislation, \$8,775 in existing revenue would be maintained in fiscal 2003 for chain stores that retain their Class A beer and wine alcoholic beverages licenses.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Worcester County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 28, 2002  
mam/hlb Revised - House Third Reader - March 27, 2002

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