Department of Legislative Services

Maryland General Assembly 2004 Session

FISCAL AND POLICY NOTE

House Bill 573

(Prince George's County Delegation)

Economic Matters

Prince George's County - Class A (Off-Sale) Licensees - Chilled Beer - Minimum Container Sizes PG 338-04

This bill prohibits a Class A (off-sale) alcoholic beverages licensee in Prince George's County from selling chilled beer by the container in a container that is less than one gallon in size.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County finances would not be affected.

Small Business Effect: Minimal.

Analysis

Current Law: There is no prohibition in Prince George's County against selling chilled beer in containers less than one gallon in size. Neither Maryland statute nor Maryland regulations prohibit the sale of chilled beer in minimum container sizes.

Background: The Department of Legislative Services is currently unaware of any jurisdiction that prohibits the sale of chilled beer in containers of any size. However, some retail off-sale alcoholic beverages licensees in the District of Columbia voluntarily stopped selling chilled beer in single containers (all presumably under a gallon in size) as a result of pressure from neighborhood groups as a means to limit loitering and public intoxication.

It is widely recognized in the beverages industry (both alcoholic and nonalcoholic beverages) that the profit margin of smaller single containers is greater than the profit margin of bundled packages (*i.e.*, cases, half-cases, 30-packs).

One gallon is equal to 128 fluid ounces. Accordingly, one gallon of beer could be apportioned into 10 12-ounce cans or bottles of beer, 8 16-ounce cans or bottles of beer, or 3 40-ounce bottles of beer.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2004

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