

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 476 (Delegate Elmore)
Economic Matters

Somerset County - Alcoholic Beverages - Prohibition on Sale of Beer - Limitation

This bill authorizes Somerset County liquor dispensary stores to sell beer for off premises consumption in certain election districts.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: None.

Local Effect: Somerset County revenues could increase by approximately \$22,000 annually beginning in FY 2009. County expenditures would not be affected.

Small Business Effect: None.

Analysis

Current Law: Liquor control boards may establish county liquor dispensaries for the sale of certain alcoholic beverages for off premise consumption. In Somerset County, county liquor dispensaries may sell any alcoholic beverage except beer.

Background: Somerset County operates three liquor dispensary stores in the following election districts: Crisfield, West Princess Anne, and Dublin. Over the last year, the dispensary store in the Dublin election district has experienced a significant drop in revenues, with sales for the month of December 2007 declining \$12,000 from December 2006. The county indicates that a new store located in Worcester County is

the reason behind the decline in sales. To address this issue, on January 22, 2008, the Somerset County commissioners voted 4 to 0, with one commissioner abstaining, to introduce legislation that enables beer to be sold in the county's dispensary store located in the Dublin election district. Pursuant to this legislation, the county would still be prohibited from selling beer at its other two stores.

Local Fiscal Effect: Somerset County indicates that selling beer at its Dublin election district store would increase sales by approximately 10%, which amounts to \$55,000 in additional sales and \$22,000 in profits. Since all profits are retained by the county, Somerset County revenues could increase by approximately \$22,000 annually beginning in fiscal 2009.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 11, 2008
mcp/hlb

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