

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 306 (Senator Stoltzfus)
Education, Health, and Environmental Affairs

Worcester County - Liquor Control Board - Ethics

This bill includes the Liquor Control Board for Worcester County in the definition of “executive unit,” as it is defined under the State Public Ethics Law.

Fiscal Summary

State Effect: The State Ethics Commission can accommodate any increase in administrative duties resulting from the bill with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Under the Public Ethics Law, “executive unit” is defined as a department, agency, commission, board, council, or other body of State government that is established by law and is not in the Legislative Branch or Judicial Branch of State government. “Executive unit” includes a county health department, unless the officials and employees of the department are expressly designated as local officials, and the sheriff’s and State’s Attorney’s offices in each county. Employees and officials of executive units are subject to applicable Public Ethics Law conflicts of interest and financial disclosure provisions.

Background: In general, most Maryland jurisdictions permit the sale of alcoholic beverages through a three-tier system in which retail alcoholic beverage licensees purchase alcoholic beverages from licensed Maryland wholesalers, who in turn purchase alcoholic beverages from licensed manufacturers and import companies. In

Montgomery, Somerset, Wicomico, and Worcester counties, the county governments operate dispensary systems (run by liquor control boards) through which they act as wholesalers for retail alcoholic beverage licensees in their respective jurisdictions.

In response to a request from the State Ethics Commission, an August 2009 Attorney General's Opinion indicated that the liquor control boards in Somerset, Wicomico, and Worcester counties "function as State entities for purposes of the Public Ethics Law and therefore their members and employees should be governed by State ethics requirements." In the past, the State Ethics Commission had treated the boards as units of county government.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Worcester County, State Ethics Commission, Attorney General's Office, Department of Legislative Services

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mpc/mcr

Analysis by: Scott D. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510