Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE First Reader

Senate Bill 618 (Senator McCray) Education, Health, and Environmental Affairs

Baltimore City - Alcoholic Beverages - Sales in Grocery Stores and Supermarkets - Referendum

This bill, which is subject to voter referendum, authorizes the Baltimore City Board of License Commissioners to issue a Class A beer and light wine license to a grocery store, chain store, supermarket, or discount house. Such license holders may sell beer and light wine on Monday through Sunday from 10:00 a.m. until midnight; if a license holder is open anytime outside the authorized hours of sale, the license holder must keep all alcoholic beverages on the premises that are stored in public areas in a separate beverage department that is securely closed and locked from midnight until 10:00 a.m. **The bill takes effect July 1, 2022, contingent on passage of a referendum by voters in November 2022.**

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: Baltimore City revenues increase from the issuance of additional Class A beer and light wine licenses, as well as from application fees. Baltimore City expenditures are not affected.

Small Business Effect: Meaningful.

Analysis

Current Law: Section 4-205 of the Alcoholic Beverages Article generally prohibits a local licensing board from issuing alcoholic beverages licenses for use in conjunction with or on the premises of a chain store, a supermarket, or a discount house.

In Baltimore City, a Class A beer and light wine license authorizes the license holder to sell beer and light wine, at retail, in a sealed package or container. The package or container may not be opened, and its contents may not be consumed on the premises where the beer or light wine is sold. The annual license fee is \$110.

Small Business Effect: Small business grocery stores, chain stores, supermarkets, and discount houses benefit from the ability to sell beer and light wine pursuant to a license issued under the bill. Some small businesses that obtain a license under the bill may incur costs, if necessary, to configure a separate beverage department on the premises that can be securely closed and locked from midnight until 10:00 a.m. Other small businesses in Baltimore City that currently sell beer and light wine are likely impacted by increased competition.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore City; Maryland State Board of Elections; Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2022 km/tso

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