

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 829 (Delegate Ruth)

Environment and Transportation and
Economic Matters

Retail Service Stations - New Construction - Setbacks

This bill prohibits a person from constructing a retail service station on or after October 1, 2023, without a certification issued by a specified approving body that the service station will be set back at least 1,000 feet, as specified, from another retail service station.

Fiscal Summary

State Effect: The bill is not expected to directly affect State finances.

Local Effect: The bill is not expected to directly affect local government finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Definitions

“Approval” means a documented action by an approving body that follows a review and determination by an approving body that the material submitted by a prospective retail service station dealer is sufficient to meet the requirements of a specified stage in a local development review process. “Approval” does not include an acknowledgement by an approving body that material submitted by a developer has been received for review.

“Approving body” means a county or municipality that exercises final construction approval authority for retail service stations.

“Final construction approval” means final approval by an approving body to construct a retail service station.

Setback Certification for Retail Service Stations

On or after October 1, 2023, a person constructing a retail service station that is projected to sell more than 1.0 million gallons of gasoline per year must apply to the approving body for a setback certification, and a person may not construct a retail service station on or after that date without a setback certification issued by an approving body. An approving body must issue a setback certification if the retail service station will be set back at least 1,000 feet, boundary line to boundary line, from another retail service station.

The setback certification requirement does not apply to a retail service station that received final construction approval from an approving body before October 1, 2023, or executed a contract for purchase or lease before June 1, 2023.

Current Law: State law specifies that it is the policy of the State that (1) the orderly development and use of land and structures requires comprehensive regulation through implementation of planning and zoning controls and (2) planning and zoning controls must be implemented by local government. State law indicates that the General Assembly recognizes that local government action will displace or limit economic competition by owners and users of property through planning and zoning controls. Planning and zoning authority granted to local governments includes authorizations to regulate various aspects of development and land use, including the location and use of buildings and structures.

Small Business Effect: Small business retail service station operators, as well as small businesses engaged in service station construction, may be meaningfully impacted, whether positively or negatively, by the bill’s prohibition and the effect it has on (1) the allowable locations of new service stations and (2) competition.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years; however, legislation with similar provisions has been proposed. For example, see HB 835 of 2022.

Designated Cross File: None.

Information Source(s): Baltimore City; Harford, Montgomery, and Wicomico counties; cities of College Park and Frostburg; Comptroller's Office; Maryland Department of Agriculture; Maryland Department of Labor; Maryland Department of Planning; Department of Legislative Services

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