



City of
Salisbury
Jacob R. Day, Mayor

February 5, 2020

Delegate Dereck Davis
Chair
House Economic Matters Committee
231 House Office Building
6 Bladen Street
Annapolis, MD 21401

Re: HB1319 - City of Salisbury - Alcoholic Beverages - Local Regulation and Control

Dear Chairman Davis,

House Bill 1319 has been submitted at the request of the City of Salisbury and the Salisbury business community. It copies the City of Annapolis precedent, establishing a local Board of License Commissioners for the City of Salisbury. Over the past four years the City has deliberately worked to consolidate permitting where the State allows us to have jurisdiction. Through these efforts, the City controls all planning, zoning, business licensing and permitting and fire code enforcement inside our municipal boundaries.

We established a "One Stop Shop" for all permits that local government may issue with the sole exception of alcohol licenses. This has resulted in the elimination of unnecessary, duplicative fees and processes and rapidly improved the reputation of Salisbury as a place to do business. The result has been our best years for development in the City's history. The alcohol licenses remain a stubborn place where businesses feel arbitrary decisions are made, subject to overt political influence - as evidenced by the National Folk Festival license interference attempt.

The goals of the proposed legislation are:

1. To make it easier, and less costly for entrepreneurs to open a business in the City of Salisbury
2. To give Salisbury more control over our own destiny, by allowing us to oversee the 73% of County alcohol-permitted establishments which operate inside our corporate limits.

This proposal **only** affects the Board of License Commissioners, by establishing municipal control and removing the State board for Wicomico from our jurisdiction. However, HB1319 explicitly acknowledges that the legislation in no way impacts the dispensation of alcohol under Title 32, Subtitle 3. While nothing in the proposed law would change the Liquor Control Board (dispensary system) in any way, we have taken the extra effort to reassure the Liquor Control Board and staff that the City of Salisbury - and



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HB1319 - will not affect their authorities, revenues or rules. Specifically, Subtitle 3, Subsection 28.5-301 of HB 1319 states:

"The Liquor Control Board for Wicomico County has jurisdiction and may operate in the City in accordance with the provisions of Title 32, Subtitle 3 of this article."

It is also worth noting that the independent Wicomico Board of License Commissioners, governed only by State law but stewarded by the Wicomico County government has a revenue of \$145,000 in FY20 and expenses of \$250,000 in FY20. That represents a loss of \$105,000 this year and it has lost an average of over \$80,000 in the last 5 years.

The independent Wicomico Liquor Control Board, governed only by State law but stewarded by the Wicomico County government has provided a net revenue of \$665,000 in FY20. Clearly this is important revenue to Wicomico County and we will not now, nor will the City of Salisbury ever seek the unprecedented right to control liquor control/dispensation within our borders.

Thank you for your tireless commitment to your constituents, the City of Salisbury, and thank you for your assistance with this legislation. Please feel free to contact me with any questions or concerns.

Sincerely,

Jacob R. Day
Mayor