City Hall – Room 204 100 Holliday St Baltimore, MD 21202

March 2, 2022

The Hon. Paul Pinsky, Chairman
Education, Health & Environmental Affairs Committee
Senate of Maryland
2 West, Miller Senate Office Building
11 Bladen Street
Annapolis MD 21401

Dear Chairman Pinsky:

I am writing in support of Senate Bill 618, "Baltimore City—Alcoholic Beverages—Sales in Grocery Stores and Supermarkets--Referendum." SB 618 will be heard by the Education, Health & Environmental Affairs Committee on March 4, 2022. SB 618 would authorize the Baltimore City Board of License Commissioners to issue a Class A beer and light wine license to grocery stores, supermarkets, chain stores and discount houses in the city. The bill requires licensees to sell beer and wine only between 10:00 a.m. and midnight, and it specifies how alcoholic beverages are to be stored during hours when sale is prohibited. Finally, enactment of SB 618 is subject to approval by the voters of Baltimore City in a referendum on the ballot at the general election to be held in November 2022.

Before my election as Baltimore City Comptroller in November 2020, I served for thirteen years as a member of the City Council. During my tenure on the council, two issues persistently surfaced as challenges to me and my colleagues: the prevalence of corner liquor stores and the lack of fresh and healthy food options in certain areas of the City, particularly in historically underinvested Black and Brown communities. The absence of full-service grocery stores and supermarkets in large sections of east and west Baltimore in particular forces residents to rely on establishments such as corner liquor stores, convenience stores, and even gas stations for their nutritional needs. These types of retail businesses, often owned by people who don't live in the communities they serve, mostly sell processed food with high sodium and sugar content. I and many other stakeholders have put countless hours into efforts to incentivize the availability of fresh and healthy food for all residents of Baltimore on a more equitable basis.

Senate Bill 618 offers a simple and powerful incentive for grocery stores and supermarkets to expand into food priority areas in the City. By allowing these retailers to sell beer and wine, SB 618 offers the opportunity for higher profits; the retail grocery business is well known for its razor-thin profit margins and highly competitive business models. When locally based grocery chains such as Klein's Shop Rite, which operates the only full-service supermarket in Baltimore's Park Heights neighborhood, make decisions on where to expand, the additional revenue allowed under SB 618 could well be a key factor.

I strongly support SB 618 not just for the economic incentive it provides, but also its reasonable regulation on hours of sale and storage of alcoholic beverages by retailers. This bill will not turn a

The Hon. Cory McCray Page Two

neighborhood Safeway into a larger version of a "package goods" store. I also support the requirement for a referendum. Regulation of liquor licenses is essentially a local issue, and it is entirely right that there should be robust public discussion and a vote by the people of Baltimore before it takes effect.

In short, SB 618 will allow a local solution for one of Baltimore's most pressing problems. It will transform the retail grocery market in the city by moving it in the direction of equity and fairness, and it will do so after a public process and only with the approval of a majority of our voters. I commend Chairman McCray for his leadership on this issue, and I look forward to working with him and with all stakeholders to ensure that once this bill becomes law, our local governmental efforts harmonize with the new state law to maximize its benefits for my constituents, the people of Baltimore.

For all these reasons, I respectfully urge the Committee to give SB 618 a favorable report. If you have any questions, please feel free to contact me at 410-396-4577 or via email at comptroller@baltimorecity.gov.

Sincerely,

Bill Henry

Baltimore City Comptroller

CC: The Hon. Cory McCray

Ms. Natasha Mehu, Mayor's Office of Government Relations