

Testimony for SB 603.pdf

Uploaded by: Cory McCray

Position: FAV

CORY V. McCRAY
Legislative District 45
Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Vice Chair, Capital Budget

Pensions

Chair, Public Safety, Transportation,
and Environment



James Senate Office Building
11 Bladen Street, Room 221
Annapolis, Maryland 21401
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Cory.Mccray@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of Senate Bill 603

Constitutional Amendment – Beer and Wine Licenses – Retail Grocery Establishments

Dear Chairman Pinsky and Members of the
Education, Health, and Environmental Affairs Committee:

I write to urge you to **support** Senate Bill 603. The question of whether Maryland should allow the purchase of beer and wine in retail grocery stores and supermarkets is one that should be reviewed by the Legislature but decided by the constituents that this effort will inevitably benefit.

Senate Bill 603 proposes a constitutional amendment that, if approved by the voters at the November 2022 general election, would authorize Maryland's retail grocery stores to obtain a license granting sale of beer and wine to individuals who are 21 years old and older. Inasmuch, The General Assembly will be required to develop a framework to regulate and govern the issuance of the licenses. In efforts to establish resources in neighborhoods that lack access to food options, the General Assembly is directed to prioritize the issuance of licenses for establishments that are in areas that experience scarcity in healthy, sustainable food choices.

Currently, forty-seven states and the District of Columbia allow retail grocery stores and supermarkets to sell beer, and forty states and the District of Columbia allow the sale of wine. If successful, beginning on July 1, 2024, the State of Maryland will join these states. By authorizing alcohol sales in the suggested venues, the State of Maryland will bolster economic benefits that support constituents within communities in need.

I am hopeful that the amendment to the Maryland Constitution proposed in Senate Bill 603 will be submitted to the qualified voters of Maryland at the November 2022 general election.

For the aforementioned reasons, I respectfully request a favorable report of Senate Bill 603.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cory V. McCray".

Cory V. McCray

State Senator, 45th District

UFCW 400 Favorable Written Testimony forvConstitut

Uploaded by: Kayla Mock

Position: FAV

Testimony in Support of SB 603

Constitutional Amendment – Beer and Wine Licenses – Retail Grocery Establishments

March 3, 2022

To: Hon. Paul Pinsky, Chair, and members of the Senate Education, Health, and Environmental Affairs Committee

From: Kayla Mock, Political Organizer
United Food and Commercial Workers Union, Local 400

Chair Pinsky and members of the Senate Education, Health, and Environmental Affairs Committee, I appreciate the chance to share my testimony on behalf of our over 10,000 members in Maryland, working on the front lines of the ongoing pandemic in grocery, retail, food distribution, law enforcement, and health care. Through collective bargaining, our members raise the workplace standards of wages, benefits, safety, and retirement for all workers. Union members are critical to the addressing inequality and uplifting the middle class.

We strongly support SB 603 and urge you to vote it favorably.

We appreciate the opportunity for the voters of Maryland to have their voices heard on this issue.

If passed, this amendment will be a revenue generator for the state at a time when Maryland needs it and it will create hundreds of new, well paid, family supporting, union jobs.

Our economy needs a boost and expanding beer and wine sales to chain grocery stores, like Giant, Safeway, and Shoppers, where our members work, will help drive a much-needed recovery and keep Maryland in a strong economic position going forward. If beer and wine sales are approved by the Maryland voters, it would provide a real opportunity for the state to **create up to 300 full time jobs for our members**. These will be union jobs with family sustaining wages and benefits that will increase our tax base and strengthen our communities and our state for the long term.

For these reasons, we urge a favorable vote on Senate Bill 603.

SB0603-EHEA-FAV.pdf

Uploaded by: Natasha Mehu

Position: FAV



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB 603

March 4, 2022

TO: Members of the Senate Education, Health, & Environmental Affairs Committee

FROM: Natasha Mehu, Director, Office of Government Relations

RE: Senate Bill 603 – Constitutional Amendment – Beer & Wine Licenses – Retail Grocery Establishments

POSITION: SUPPORT

Chair Pinsky, Vice Chair Kagan, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 603.

SB 603 will place a constitutional amendment on the ballot in the 2022 General Election. If Maryland voters adopt the amendment, grocery retail establishments will have the ability to apply for licenses to sell beer and wine to individuals 21 and over. The General Assembly will design the regulations and policies that will govern the issuance of these licenses to grocery stores. In the issuance of licenses, the General Assembly will prioritize grocery establishments located in areas that suffer from a shortage of affordable healthy food options.

Residents of large swaths of Baltimore City lack easy access to vendors selling healthy food. A study published in 2018 by the Johns Hopkins Center for a Livable Future and Baltimore City's Planning Department found that 23% of Baltimoreans, including more than 30,000 children, were experiencing food insecurity.¹ 31% of the City's Black residents live in Healthy Food Priority Areas (hereafter "Priority Areas"), characterized by an undersupply of healthy foods, low household income, and low vehicle availability.²

By definition, a Priority Area lacks a supermarket. Between 2015 and 2018, the opening of a new supermarket in East Baltimore meant that 5,000 more Baltimoreans could easily access

¹ Miasaszek, Caitlin; Sarah Buzogany; & Holly Freishtat (Jan. 2018). "Baltimore City's Food Environment: 2018 Report." *Johns Hopkins Center for a Livable Future / Baltimore City Department of Planning*. Retrieved 14 Feb. 2022 from: <https://clf.jhsph.edu/sites/default/files/2019-01/baltimore-city-food-environment-2018-report.pdf>.

² Ibid.

healthy foods.³ The City aims to attract new grocery stores that will eliminate Priority Areas and retain existing stores that prevent neighborhoods from falling onto the Priority Area list.

Supermarkets operate with notoriously low profit margins.⁴ This has historically made supermarket chains reluctant to locate in areas less likely to generate profits. In 2015, at the recommendation of the Baltimore Food Policy Initiative, the City instituted a personal property tax credit to grocery stores locating or making significant renovations within targeted areas of the City.⁵ This program incentivizes grocery establishments to open locations in low income census tracts. We believe that SB 603 and the associated constitutional amendment will complement those efforts because beer and wine licenses will make grocery retailers more economically viable.

The State will make it easier for grocery stores to locate in urban areas, reducing the distance that residents have to travel to access healthy foods. The passage of this bill and the approval of the associated amendment will increase health equity in the City and the State by making healthy foods more accessible to residents of Priority Areas. To the extent that this legislation will adversely impact existing beer, wine, and liquor retailers, the BCA will direct the relevant City agencies to provide assistance.

We respectfully request a **favorable** report on SB 603.

³ Ibid.

⁴ Bean-Mellinger, Barbara (14 Nov. 2018). "What Is the Profit Margin for a Supermarket?" *The Houston Chronicle Online*. Retrieved 14 Feb. 2022 from: <https://smallbusiness.chron.com/profit-margin-supermarket-22467.html>.

⁵ N.A. (n.d.). "Grocery Store Tax Credit." *Baltimore Development Corporation*. Accessed 15 Feb. 2022 from: <http://baltimoredevelopment.com/incentives/tax-credits/grocery-store-tax-credit>.

Support Letter for SB 603.pdf

Uploaded by: Olive Waxter

Position: FAV

March 3, 2022

Senator Paul Pinsky
Chair, Education Health and Environment Affairs
Democrat, District 22, [Prince George's County](#)
Miller Senate Office Building, 2 West Wing
11 Bladen St., Annapolis, MD 21401

Dear Senator Pinsky,

I am writing with hope that you and the Education, Health and Environmental Affairs Committee Members will give favorable consideration for SB 603 sponsored by Senator Cory McCray.

I am writing as a 35+ year Baltimore City resident who as a working mother and wife, who like most, has a lot of demands and limited time. My parents lived in another state for 30 years and when visiting, I so enjoyed the convenience of being able to purchase beer and wine for them with one simple stop. Prices were less expensive than what I experienced in Maryland but the most important benefit to me was less time in multiple stores and more time with family and friends. This bill makes life easier for Marylanders and I hope it is one that is passed this year so I can make one stop and then go home. As an aside, our friends and family feel similarly because all have visited states where beer and wine are conveniently sold in grocery stores. SB 603 would make life easier!

I understand Maryland is one of very few states that restrict the sale of beer and wine in grocery stores and I am grateful to Senator McCray for looking out for all the busy Marylanders whose lives would be simplified in a chaotic world. Thank you for again for the consideration to this issue by the Education, Health and Environmental Affairs Committee.

Sincerely,

Olive Waxter
5514 Woodlawn Road
Baltimore, Maryland 21210
410-804-4490

Cc: Education Health and Environment Affairs

SB603-Royal Farms Shelby Kemp Favorable.pdf

Uploaded by: Shelby Kemp

Position: FAV



March 4, 2022

Senator Paul Pinsky
Chair, Education, Health and Environmental Affairs
2 West, Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB 603 - Constitutional Amendment- Beer and Wine Licenses- Retail Grocery Establishments- FAVORABLE

Dear Chairman Pinsky, Vice-Chair Kagan and Members of the Committee,

My name is Shelby Kemp. I am a Marketing Project Manager for Royal Farms Convenience Stores. Royal Farms main business includes convenience, fuel, and quick service restaurants. We are a third- generation family-owned business, headquartered in Baltimore city. We operate 161 stores in Maryland, employing over 3,000 employees.

We strongly support having the ability to purchase a license to sell beer and wine in our stores. At Royal Farms, we strive to cater to our customers and provide them with what they want. Data points to the fact that customers want the ability to purchase beer and wine at their local convenience or grocery store. Recent public opinion polls continue to demonstrate that consumers strongly support the ability to purchase beer and wine in convenience stores. Maryland is one out of three states that does not allow the purchase of beer and wine at convenience or grocery stores.

Royal Farms strongly support allowing Maryland citizens to decide this important question. Public opinion polls consistently indicate support for this measure.

In conclusion, allowing convenience stores and grocery stores to apply for a license to sell beer and wine will benefit consumers, our economy, and our state. Please vote in favor of SB 603.

Sincerely,

A handwritten signature in black ink, appearing to read "Shelby Kemp".

Shelby Kemp
Marketing Project Manager
skemp@royalfarms.com

SB 603 Constitutional Amendment Beer and Wine Lice

Uploaded by: Deborah Owston

Position: UNF

SB 0603

March 4, 2022 @ 1:00 PM

Board of License Commissioners

Liquor Control Board of Garrett County

Garrett County Government Administrative Office Building
203 South Fourth Street, Room 208
Oakland, Maryland 21550
Phone 301-334-1925
Fax 301-334-5023

E-mail – liquorcontrolboard@garrettcountry.org



Deborah R. Owston
Administrator to the Board

Michael J. Fratz
McHenry, Maryland 21541

David L. Moe
Oakland, Maryland 21550

Lisa M. Herman
Friendsville, Maryland 21531

March 3, 2022

The Honorable Paul G. Pinsky, Chair
Education, Health, and Environmental Affairs Committee
2 West Miller Senate Office Building - 11 Bladen Street
Annapolis, MD 21401

RE: SB 0603 Constitutional Amendment
Beer and Wine Licenses – Retail Grocery Establishments

Dear Chair Pinsky:

On behalf of the Garrett County Board of License Commissioners, this office urges you to oppose Senate Bill 0603 Constitutional Amendment - Beer and Wine Licenses – Retail Grocery Establishments.

The allowance of a Beer and Wine Retail Grocery Establishment license as proposed in the bill will cause detrimental financial loss to many licensed establishments located in our jurisdiction. For the reasons stated above, we would request to be excluded from the bill.

In closing, the Garrett County Board of License Commissioners requests you oppose Senate Bill 0603 and thank you for the attention you may give this legislative issue.

Sincerely,

Deborah R. Owston

Deborah R. Owston,
Administrator of the Board of License Commissioners

cc: Senator George Edwards
Delegate Wendell Beitzel

Testimony SB603.pdf

Uploaded by: Kim Lawson

Position: UNF

Testimony Oppose SB603

Kim Lawson
Fishpaws Marketplace
954 Ritchie Hwy
Arnold. Md 21012
Anne Arundel County
klawson@fishpawsmarket.com

My business, Fishpaws Marketplace is a third-generation alcohol retailer in Anne Arundel County which dates to 1935. We employ between 20 and 25 people with employee benefits. We donate at a minimum \$10,000 yearly to local charities. Corporate businesses traditionally have lots of red tape for donations, so non-profits rarely go to them. We support many local breweries, distillers, and wineries. We carry over 260 local beers, wines, and spirits to support locally made products. Grocery stores will only carry the top selling SKU's, so they will have far less products especially local products than the current liquor stores

I know the opposition is touting convenience as the reason for this legislation. We have licensees in every shopping center which houses a grocery store, so the goods are available in the same shopping trip for the consumer. The supermarkets and chains are not going to employ an additional 20 to 25 people with the addition of alcohol. Also, these local shopping center stores will be pushed out due to competition or their landlords. With the number of licensees we have, I do not think convenience is an issue. This bill would only transfer business from small locally owned businesses to large corporately owned.

I have like many other store owners, have invested 2.5 to 3 million in our business. I just last week spent \$75,000 redoing our floors which required a three-day closure to complete this job. We used all local contractors. This bill will have businesses experiencing a loss of business, loss of jobs and their investment and retirements.

The alcohol business is extremely complicated with many rules and regulations. Unfortunately, the public does not understand the intricacies of the industry. The legislature more fully understands the complexity of the laws and is better able to weigh the pros and cons. The public health and small business impacts need to be considered. Alcohol is a controlled substance not a commodity. Unfortunately, the public does not understand this balancing act.

The bill automatically will allow 1300 to 1500 additional outlets with no regard to saturation of a market area or the legal control of alcohol, a controlled substance.

I ask you to oppose this bill. Let us support local small business in all ways by keeping jobs, taxes, local product sales in Maryland. Let us keep Maryland pride in Maryland.

Maryland Wine and Beer in Grocery Stores Analysis.

Uploaded by: Moira Cyphers

Position: UNF

Policy Analysis: Maryland Proposal for Wine & Beer Sales in Grocery Stores



Wine and Beer in Grocery Stores: Promises Not Likely to be Met

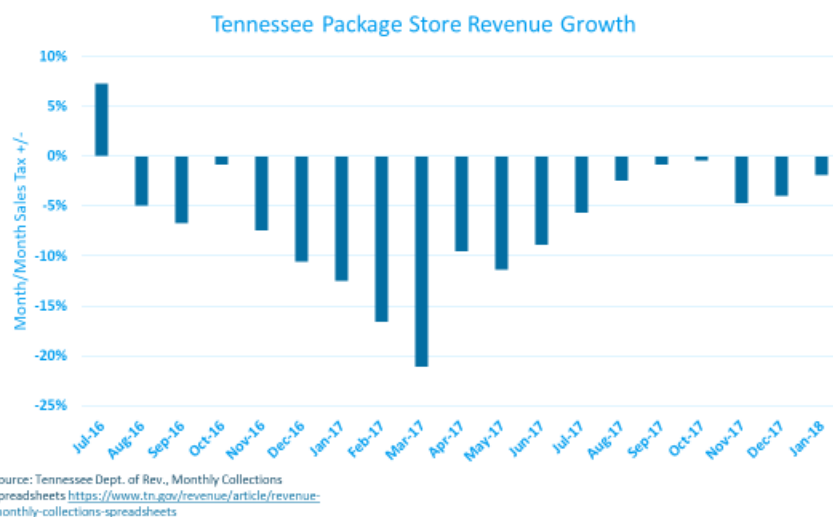
A recent study (the Sage study) advocating for wine and beer to be sold in Maryland grocery stores projected a revenue windfall for the state while doing little harm to existing package stores that now sell beer, wine and spirits. That study was wildly optimistic. This analysis of the flaws in the study makes the following points:

- When Tennessee began allowing wine to be sold in grocery stores, package store revenues fell for 18 consecutive months. Maryland package stores will likely have a similar experience.
- The Sage study assumed there would be no loss in the sale of distilled spirits. But, spirits, wine and beer all compete for the same drinking occasions. As wine and beer sales are taken out of package stores, spirits sales will be lost, impacting tax revenues.
- The upfront licensing fee revenues are not likely to be fully realized. Projected beer and wine grocery sales are too low to attract the estimated number of licensees. At the current level of sales, licensees would take more than 12 years to recoup the initial upfront licensing fee suggested in the study. Few stores will be willing to make an investment that takes that long to begin showing dividends.

Tennessee Experience: 18 Consecutive Months of Lost Sales

- When Tennessee began allowing wine to be sold in grocery stores beginning in July 2016, Tennessee package stores experienced an immediate loss in store revenues. Tennessee package stores began losing revenue in August 2016 and the unfortunate streak continued through January 2018.
- By the time Tennessee package stores returned to growth, 7 percent of total sales had been lost. If we adjusted for the growth that package stores would have *expected* to see, total losses would have been closer to 12 percent.

Tennessee Package Stores Experienced 18 Months of Declining Revenues After Wine Was Allowed in Grocery Stores



Package store losses in Maryland would be much greater than proponents of wine and beer in grocery stores predict.

- Tennessee package stores lost between 7 and 12 percent of their total sales just from wine being allowed to be sold in grocery stores.
- Clearly, Maryland package stores would experience much bigger losses if both beer and wine were allowed in grocery stores.

Proponents of wine and beer in grocery stores claim that there would be no lost spirits sales. This is not the case.

- The Sage study does not account for any lost spirits sales. It is assumed that new grocery store sales of beer and wine would either come from cannibalized package stores sales or repatriated sales from bordering states, e.g. Virginia or the District of Columbia.
- However, when we look at current levels of per capita consumption (see table below), we see that total alcohol consumption in the two states is relatively close – 2.33 gallons in Maryland and 2.39 in Virginia. Beer and wine sales are much greater in Virginia and both products are sold in grocery stores. However, spirits consumption is almost 24 percent lower than in Maryland.

Alcohol Gallons Per Adult by Beverage - 2018				
State	Spirits	Wine	Beer	Total
Maryland	1.02	0.43	0.87	2.33
Virginia	0.78	0.55	1.06	2.39
Source: NIAAA				

- Beer, wine and spirits all compete with one another for drinking occasions. In fact, 70-75 percent of consumers enjoy all three beverages, and each is a good substitute for the other. As Marylanders begin buying beer and wine in grocery stores, it will take foot traffic out of package stores, and spirits sales will decline.
- Thus, a substantial portion of the projected “new demand” for beer and wine will come at the expense of spirits sales, negatively impacting projected tax revenues. Each time a spirits drinking occasion is substituted for a wine or beer occasion, tax revenue is lost.
- Additionally, there are now more than 25 craft distillers in Maryland that rely heavily on Maryland package store sales. As foot traffic in packages stores declines and spirits, wine and beer sales are lost, small distillers could lose in two ways. First, like all spirits suppliers, craft distillers will lose sales. But, as the package store segment contracts, package store owners may be less likely to carry craft brands, preferring to highlight national brands that will enjoy faster inventory turns.

Estimates of new tax revenues from licensing fees are unreasonably optimistic.

- A great deal of the projected new state revenue is supposed to be generated through both a one-time (\$71.9 million) and annual (\$14.7 million) licensing fee. However, the study authors also predict that new licensee sales will increase by \$107.5 million.
- Chain store mark-ups tend to be fairly low. It is doubtful that aggregate gross margins for the chain stores on the \$107.5 million in revenue would be more than \$20.1 million annually. After subtracting annual licensing fees it would take more than 12 years for Maryland stores to recoup their investment in upfront licensing fees.
- Few stores are likely to make an investment that will take more than 12 years to start to show a return. Thus, far fewer stores will opt to carry beer and wine and the projected new revenues are not likely to be realized.

Maryland Wine and Beer in Grocery Stores Analysis.

Uploaded by: Morgan Mills

Position: UNF

Policy Analysis: Maryland Proposal for Wine & Beer Sales in Grocery Stores



Wine and Beer in Grocery Stores: Promises Not Likely to be Met

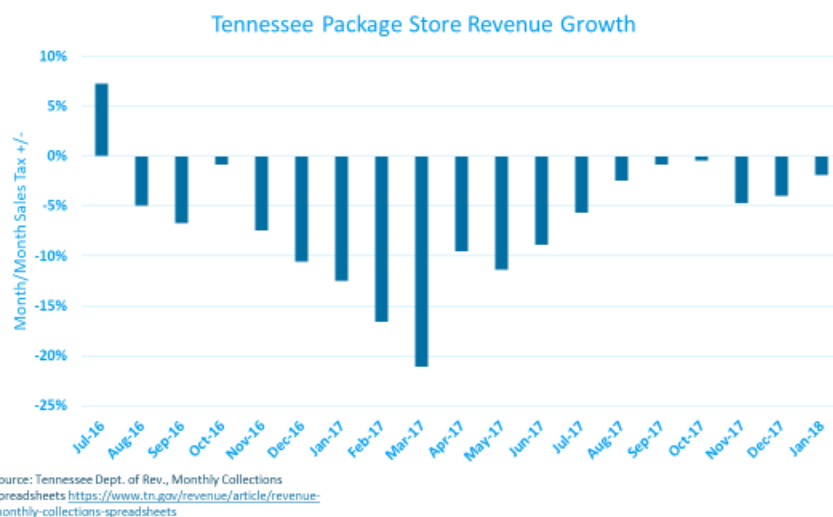
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- However, when we look at current levels of per capita consumption (see table below), we see that total alcohol consumption in the two states is relatively close – 2.33 gallons in Maryland and 2.39 in Virginia. Beer and wine sales are much greater in Virginia and both products are sold in grocery stores. However, spirits consumption is almost 24 percent lower than in Maryland.

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- Thus, a substantial portion of the projected “new demand” for beer and wine will come at the expense of spirits sales, negatively impacting projected tax revenues. Each time a spirits drinking occasions is substituted for a wine or beer occasion, tax revenue is lost.
- Additionally, there are now more than 25 craft distillers in Maryland that rely heavily on Maryland package store sales. As foot traffic in packages stores declines and spirits, wine and beer sales are lost, small distillers could lose in two ways. First, like all spirits suppliers, craft distillers will lose sales. But, as the package store segment contracts, package store owners may be less likely to carry craft brands, preferring to highlight national brands that will enjoy faster inventory turns.

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MD Wine in Grocery letter 2022.pdf

Uploaded by: Morgan Mills

Position: UNF



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

March 4, 2022

Chair

Hon. Paul G. Pinsky, Chair

Hon. Cheryl C. Kagan, Vice Chair

Maryland Senate Education, Health, and Environmental Affairs Committee

2 West Street

Miller Senate Office Building

Annapolis, Maryland 21401

Dear Sen. Pinsky and Sen. Kagan:

This testimony is submitted on behalf of the Distilled Spirits Council of the United States, a national trade association representing producers and marketers of distilled spirits sold in the United States, in opposition to SB0603, a proposed constitutional amendment that would provide for beer and wine licenses in retail grocery establishments.

Allowing grocery stores to sell beer and wine would have a negative impact on Maryland liquor stores, forcing many of them out of business. Beer and wine sales in grocery stores would merely transfer business from one licensee to another licensee and not generate new sales. It would, however, negatively impact the sales of spirits. As foot traffic in Maryland liquor stores is reduced, fewer people will purchase spirits when they can easily buy beer and wine in grocery stores. Between lost wine and spirits sales, the average package store would lose a substantial portion of their total annual revenue.

In Tennessee, which made a similar change in 2016, package stores sales went down over 9%, spirits volumes declined approximately 4.5% lower than they otherwise would have been and the state lost roughly \$3.6 million in tax revenue. We project Maryland would realize similar negative effects because the spirits excise tax rate is so much higher than the wine tax rate (\$5.40/gallon versus only \$0.72/gallon). Thus, any policy that favors beer and wine sales locations over spirits is simply not a good business proposition for the state treasury.

In these propositions, there is often the promise of not just new revenue but new jobs. We suggest this is also faulty. Grocery stores have sufficient staff to stock shelves; selling beer or wine would not result in a hiring boom. However, job losses in liquor stores would occur as a natural economic impact – when sales go down that lost revenue must be made up and spending reductions would come in the form of fewer employees. Additionally, national experience indicates that grocery stores, which would allocate limited shelf space to the beer or wine category would carry the top-selling national beer and wine brand stock keeping units (SKUs).

Distilled Spirits Council of the United States (DISCUS)

1250 Eye Street NW, Suite 400

Washington, DC 20005

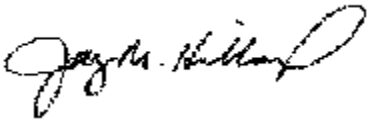
Sen. Paul G. Pinsky
Sen. Cheryl C. Kagan, Vice Chair
Maryland Senate Education, Health, and Environmental Affairs Committee
March 4, 2022
Page two

It is dubious at best that grocery store sales of beer and wine would provide any long-term benefits for Maryland in increased sales, job creation or tax collection but the harm to package stores and the state in the form of lost sales, job reductions and lower tax collection is almost assured.

I have attached an economic analysis that furthers details our concerns. We would urge the members of the EHEA Committee to reject SB0603 as poor public policy.

We appreciate your consideration of our views regarding SB0603. Should you have any questions, please don't hesitate to contact me by telephone at 207-831-8285, by email at jay.hibbard@distilledspirits.org or our Maryland counsel, Hannah Garagiola.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay M. Hibbard". The signature is fluid and cursive, with a large initial "J" and "H".

Jay M. Hibbard
Senior Vice President - State Public Policy

cc: Members of the Maryland Senate Education, Health,
and Environmental Affairs Committee

NCADD-MD - SB 603 UNF - Alcohol at Grocery Stores-

Uploaded by: Nancy Rosen-Cohen

Position: UNF



**Senate Education, Health and Environmental Affairs Committee
March 4, 2022**

**Senate Bill 603
Constitutional Amendment - Beer and Wine Licenses - Retail Grocery Establishments
Oppose**

NCADD-Maryland respectfully opposes *Senate Bill 603 - Constitutional Amendment - Beer and Wine Licenses - Retail Grocery Establishments*. This legislation would increase the number of alcohol outlets throughout the state for off-premises drinking by almost two-fold. The Centers for Disease Control and Prevention report that high alcohol outlet density is known to be an environmental risk factor for excessive drinking. Based on strong scientific evidence of intervention efficacy, they recommend using public policy to limit, not expand, alcohol outlet density.¹ Excessive drinking in turn leads to increases in violence, criminal activity, domestic violence, and child maltreatment.

It is also true that with an increase in alcohol outlets, the opportunity for people under the age of 21 to purchase alcohol increases. There have been studies that show that reducing the commercial availability of alcohol as part of a comprehensive prevention strategy can contribute to a reduction in underage drinking and alcohol-related problems.² Research has also shown that liquor stores do a much better job than grocery stores in checking identification of people purchasing alcohol. We know the harms that result from underage drinking are far reaching, contributing to negative consequences including injuries, sexual assaults, and deaths.

In legislation passed in 2019 (Chapter 12), the Alcohol and Tobacco Commission was charged with developing best practices in several areas, including "the development of a public health impact statement for all changes to the State alcoholic beverages laws." We look forward to this kind of reporting on a regular bases on this and other bills. In the meantime, we ask for an unfavorable report.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.

¹ <https://www.cdc.gov/alcohol/pdfs/CDC-Guide-for-Measuring-Alcohol-Outlet-Density.pdf>

² https://www.researchgate.net/publication/6560131_Alcohol_Outlet_Characteristics_and_Alcohol_Sales_to_Youth_Results_of_Alcohol_Purchase_Surveys_in_45_Oregon_Communities

SB603 - OPPOSE - St. Mary's County.pdf

Uploaded by: Randy Guy

Position: UNF



Senate Bill 603

Constitutional Amendment – Beer and Wine Licenses –
Retail Grocery Establishments

OPPOSE

February 15, 2022

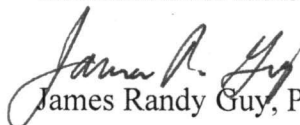
The Honorable Paul G. Pinsky, Chair
Maryland Senate Education, Health & Environmental Affairs Committee
Miller Senate Office Building, 2 West
11 Bladen St.
Annapolis, MD 21401

Dear Chairman Pinsky:

The Commissioners of St. Mary's County **OPPOSE** SB 603- Constitutional Amendment – Beer and Wine Licenses – Retail Grocery Establishments which will be heard in the Education, Health & Environmental Affairs Committee.

We oppose SB 603 and request an unfavorable report. We do not believe this legislation will benefit the citizens of St. Mary's County. We look forward to working with you on this and other initiatives throughout the session.

Sincerely,
COMMISSIONERS OF ST. MARY'S COUNTY


James Randy Guy, President

CSMC/AB/sf
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Cc: Senator Jack Bailey
Delegate Matthew Morgan
Delegate Gerald Clark
Delegate Brian Crosby
Commissioner Eric Colvin
Commissioner Michael Hewitt
Commissioner Todd Morgan
Commissioner John O'Connor
Catherine Pratson, Acting Co-County Administrator
David Weiskopf, Acting, Co-County Administrator

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Position: UNF

Written testimony

SB 603

Thomas Yates, Petite Cellars

Unfavorable

My name is Thomas J Yates and from 1987 to 2012 I was a licensee at Olney Beer & Fine Wine 18208 Village Center Dr Olney Md (Montgomery County). The business was truly "mom & pop" involving my wife and children as well as my brother and one of his sons. We had a reputation as one of the best beer and wine stores in the county. Six families got primary support from wages paid!

In 2011 Safeway applied to transfer their grandfathered license from Briggs Chaney to their new store in Olney. I testified in opposition to no avail. It appeared that big money won the day. It was well known within the trade that my store would be their first target to put out of business. To that end, they started out on opening day selling many products below cost and, in violation of state law, required distributor reps to stock shelves. When I complained to The Comptroller's Office I was told that they had been warned, but the practice continued. After 1 year of their opening my sales were down 40%. I chose not to stay and watch the rest go away, so I closed April 30, 2012. In November that year I moved out of Montgomery County. Two years after I closed the next independent to close was Pritti Beer and Wine at the corner of Georgia Ave and Route 108 in Olney. There is only one more small store to put out of business before Safeway becomes "the only act in town".

I know that grocery and big box stores are pouring big resources into Maryland to convert it to a "chain market" but my experience is that this is just the tip of the iceberg of the many families who will be put out of work. Many of the owners of the small stores are first generation immigrants seeking the American Dream. I have continued my pursuit of the dream at my new store, Petite Cellars, in Ellicott City Howard County. If the chains succeed I will once again be put out of business by "big box"! For those who claim that allowing supermarkets into the business of selling alcohol won't affect small businesses, I offer up my experience as proof of the opposite. I therefore ask that you vote against HB 153—Dispensaries in Supermarkets.

Sincerely

A handwritten signature in black ink, appearing to read "Tom J. Yates", written in a cursive style.

Tom Yates
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Marriottsville, MD 21104