

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 949
Economic Matters

(Delegates Mathias and Conway)

Worcester County - Liquor Dispensaries - Alcoholic Beverages Purchases and Sales

This bill authorizes the Liquor Control Board in Worcester County to acquire, by purchase or otherwise, any alcoholic beverages from any source for resale; and sell at wholesale any alcoholic beverages kept at its dispensaries to licensees at the times that the dispensaries may make retail sales.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: None.

Local Effect: Potential meaningful increase in revenues collected by the Worcester County Liquor Control Board. Minimal increase in expenditures.

Small Business Effect: None.

Analysis

Current Law: Four counties (Montgomery, Somerset, Wicomico, and Worcester) operate dispensary systems through which they act as the wholesalers for retail alcoholic beverages licensees in their respective jurisdiction. All licensees in Worcester County must purchase all wines and liquors, except light wine and beer, from the Liquor Control Board. Light wine and beer may be purchased from licensed wholesalers.

Background: In general, most Maryland jurisdictions permit the sale of alcoholic beverages through a three-tier system in which retail alcoholic beverage licensees purchase alcoholic beverages from licensed Maryland wholesalers who purchase alcoholic beverages from licensed manufacturers and import companies. In Montgomery, Somerset, Wicomico, and Worcester counties, each county operates a dispensary system through which it acts as a wholesaler for retail alcoholic beverage licensees. Worcester County has six county dispensaries: one each in Berlin, Pocomoke City, and Snow Hill, and three in Ocean City.

Local Fiscal Effect: Expanding the authority of the Worcester County Liquor Control Board to purchase all alcoholic beverages would increase revenues of the liquor board by an undetermined amount. Expenditures would likely increase due to increased product deliveries.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Worcester County, Department of Legislative Services

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