

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 86 (Delegate B. Robinson)
Economic Matters

Baltimore City - Alcoholic Beverages - Licensed Establishments - Sales to Minors

This bill prohibits specified alcoholic beverages licensees in Baltimore City from selling any item or merchandise, including food, to an individual under the age of 18. A person may not request or induce an individual younger than age 18 to purchase any item from a licensee. A violator is guilty of a misdemeanor and subject to a maximum fine of \$500.

In addition, the bill prohibits an individual younger than age 18 from knowingly making a misrepresentation of age to avoid the prohibition. A violator must be issued a citation and is subject to provisions of the Courts and Judicial Proceedings Article addressing juvenile causes.

The bill takes effect July 1, 2013.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues due to the bill's criminal and civil penalty provisions for those cases heard in the District Court. No effect on expenditures.

Local Effect: Baltimore City expenditures increase by approximately \$600 in FY 2014. Potential additional costs may result if additional license violation hearings are necessary.

Small Business Effect: Potential meaningful. The extent to which nonalcoholic merchandise is now sold to minors by the covered license classes, including some pharmacies and food stores, is unknown. For some locations and businesses it is likely a meaningful percentage of total sales.

Analysis

Bill Summary: The bill's prohibitions apply to:

- a Class A beer, wine, and liquor license;
- a Class A-2 beer, wine, and liquor off-sale package goods license; and
- a Class B-D-7 beer, wine, and liquor license whose average daily receipts from sales of alcoholic beverages for off-premises consumption exceeds 40% of the license holder's total average daily receipts from all sales of alcoholic beverages.

Current Law: Anyone younger than age 21 is prohibited from obtaining alcoholic beverages. In addition, it is illegal for an individual to misrepresent the individual's age in the purchase of alcoholic beverages or knowingly furnish alcoholic beverages to someone younger than age 21. Individuals younger than age 18 who violate this law are issued a citation and the offense is usually adjudicated in juvenile court. Individuals older than age 18 who violate the law receive a citation and are fined a maximum of \$500 for the first offense and a maximum of \$1,000 for repeat offenses. Fines for these violations are collected in District Court.

In Baltimore City an alcoholic beverages licensee:

- may employ a person age 18 or older to sell, serve, deliver, or otherwise deal with alcoholic beverages;
- may not employ or allow a person younger than age 18 to sell, serve, or deliver alcoholic beverages; and
- may not employ or allow a person younger than age 18 to provide entertainment on the licensed premises.

Background: According to the Baltimore City Board of Liquor License Commissioners, there are 251 Class A licenses and 493 Class B-D-7 licenses covered under the bill. The Class A licenses include some pharmacies and food stores that currently hold such a license.

Local Fiscal Effect: The bill will impact a total of 744 alcoholic beverages licensees in Baltimore City. Enforcement will be handled with the existing budgeted resources of the board and local law enforcement.

The board reports that the bill will require about \$600 in new mailing costs in fiscal 2014 to notify licensees of the bill's provisions. Any additional hearings resulting from the bill will be handled with the existing budgeted resources of the board. Any additional hearing will also require covering the costs of transcription.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Judiciary (Administrative Office of the Courts),
Department of Legislative Services

Fiscal Note History: First Reader - February 21, 2013
mc/hlb

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