



Mission: To improve public health in Maryland through education and advocacy *Vision:* Healthy Marylanders living in Healthy Communities

HB 938 Alcoholic Beverages – Class A License – Food Retailers

Hearing Date: 2/20/23

Committee: Economic Matters

Position: Unfavorable

Thank you, Chairman Wilson and members of the Economic Matters Committee for holding this hearing on HB 938, which would allow local liquor licensing boards to issue Class A beer, beer/wine, or beer/wine/liquor licenses to retail establishments that meet certain requirements in terms of types of products, SNAP acceptance, and size. The Maryland Public Health Association's Alcohol, Cannabis & Tobacco Network urges an unfavorable report on this bill.

Issuing licenses like this could lead to a massive increase in licenses in a short time period. The definition of a food retailer allows inclusion of most 7-11, Royal Farms, and Highs gas stations, in addition to Costco, Sam's, and every standard grocery store chain. Research consistently demonstrates that increased alcohol outlet density, especially for off-premise outlets (i.e., those who sell unopened containers), is associated with an increase in a number of harms, including violence, criminal activity, domestic violence, and child maltreatment. It is also very costly; a recent study in Baltimore City demonstrated that alcohol-related harms cost \$582 million each year, almost 40% of which the government is responsible for. Alcohol consumption has been steadily rising nationally, especially for women and minorities; as consumption rises, so do alcohol-related harms.

Grocery and chain stores are not primarily in the business of selling alcohol, and may not be as well versed and equipped to prevent underage sales. Research demonstrates that liquor stores are more consistent in checking IDs of people purchasing alcohol. Additionally, large chain stores are generally able to lower the cost of alcohol, which can lead to increased levels of consumption and related harms, as nearby businesses try to compete. This can also have negative effects on these existing locally owned alcohol outlets, as they are ultimately unable to compete with the lower prices.

In legislation passed in 2019, the Alcohol and Tobacco Commission was tasked with “the development of a public health impact statement for all changes to the state alcoholic beverages law...”. A statewide bill like this should be subject to such a statement to scientifically and expertly evaluate the impact on existing businesses, communities, local liquor boards, and public health and safety.

For these reasons, we urge an unfavorable report on HB 938.

The Maryland Public Health Association (MdPHA) is a nonprofit, statewide organization of public health professionals dedicated to improving the lives of all Marylanders through education, advocacy, and collaboration. We support public policies consistent with our vision of healthy Marylanders living in healthy, equitable, communities. MdPHA is the state affiliate of the American Public Health Association, a nearly 150-year-old professional organization dedicated to improving population health and reducing health disparities that plague our state and our nation.