

Wes Moore
Governor

Aruna K. Miller
Lt. Governor



Jeffrey A. Kelly
Executive Director

Maryland Alcohol and Tobacco Commission

Maryland Alcohol and Tobacco Commission
Fiscal Year 2024 Operating Budget
Response to Department of Legislative Services Analysis

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Senator Sarah K. Elfreth
February 13, 2023

House Appropriations Committee
Public Safety and Administration Subcommittee
Delegate D. Antonio Bridges
February 1, 2023

Chairs Elfreth and Bridges:

I write on behalf of the Alcohol and Tobacco Commission (ATC) to inform both the Public Safety, Transportation, and Environment Subcommittee (PSTES) of the Senate Budget and Taxation Committee and the Public Safety and Administration Subcommittee (PSAS) of the House Appropriations Committee that the ATC concurs with the Governor's Allowance of a \$5,809,048 allocation to fund agency operations for FY24.

The directive of the ATC is to oversee, regulate, and enforce alcohol and tobacco laws in the State of Maryland. Performing this duty within the 12,400 square miles of land in the State, where there are approximately 6,045 tobacco and 7,956 alcoholic beverage retailers, can present a challenge. However, our team, along with the local liquor boards, health departments, and law enforcement units, are dedicated to working in partnership to ensure the compliance of wholesalers, distributors, manufacturers, and retailers with the State's applicable laws.

The FY24 Governor's Allowance includes a \$388,363 increase that supports the ATC's mission by funding personnel costs and compensation for agency staff. This year's appropriation maintains current ATC staffing levels, which provide it with the

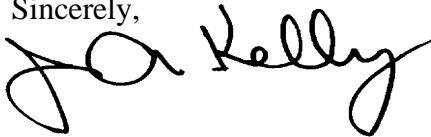
necessary funds to oversee and regulate the alcoholic beverage and tobacco industries in the State.

The Commission and staff remain dedicated to its mission to educate and inform the public on topical issues related to alcohol and tobacco, as well as enforcing the law for the benefit and well-being of the citizens of Maryland. The ATC believes that the Governor's FY24 Allowance supports the agency's mission and concurs with it.

Lastly, FY24's funding level does not contemplate funds or personnel related to the regulation and enforcement of the State's medical cannabis industry, as restructuring has not begun, nor its nascent commercial cannabis market.

I welcome the opportunity to address any questions or concern of either the PSAS or PSTES and will be happy to answer any questions its members may have for the ATC.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey A. Kelly". The signature is written in a cursive style with a large, stylized "J" and "K".

Jeffrey A. Kelly
Executive Director