



## HOUSE BILL 1573

### *Business Regulation - Soda Fountain License - Repeal*

April 2, 2009

**POSITION: Support**

Mr. Chairman and Members of the Economic Matters Committee:

On behalf of the members of the *Restaurant Association of Maryland* (RAM), we strongly support **House Bill 1573**, which would repeal an unnecessary and obsolete 1916 law requiring soda fountain businesses to pay a fee and obtain a license in order to operate such a business.

***1916 Laws of Maryland, Chapter 704***

*Each person, firm or corporation operating a soda fountain in this State shall before doing so, take out a license therefore for the privilege of conducting such business and paying an annual license fee of \$6.00 for each fountain so operated in the City of Baltimore or in each county of this state.*

After several code revisions, the current annual license fee is \$60 in Baltimore City and \$25 in most other jurisdictions.

In a recent March 4, 2009 memorandum to local circuit court clerks, the Comptroller directed the local license authorities to notify businesses that such a license would be required for any business operating a soda fountain device, which includes restaurants, bars, convenience stores, retail stores and the like. A follow-up memorandum clarified that only one license needs to be issued per business establishment, as opposed to per device. At the time the original law was enacted, such fountains were mainly associated with drugstores, five-and-dimes (variety stores) and soda shops

Given that nearly all businesses with soda fountains must now obtain locally-issued foodservice facility licenses, the 1916 soda fountain license law is now unnecessary. In fact, every circuit court clerk we spoke with regarding this issue informed us that they are issuing these licenses only for those businesses that have historically held such licenses and renew each year. Statewide, only about 76 of these old licenses are issued annually. Most clerks cite the comprehensive foodservice facility license as the reason why they no longer issue these licenses to new businesses. In fact, the circuit court clerks have joined us in supporting the legislative effort to repeal this archaic law. There is simply no good reason to justify the sudden decision to resume enforcement of such an outdated law, given the thousands of other outdated laws that remain on the books.

We hope that you will join Maryland restaurants, bars, convenience stores, retail stores and circuit court clerks by supporting efforts to repeal this statute. We request that you give House Bill 1573 a **FAVORABLE** report.

Respectfully submitted,

Melvin R. Thompson  
Senior Vice President  
Restaurant Association of Maryland  
6301 Hillside Court - Columbia, MD 21046  
410-290-6800