

best interest of the vast majority of the citizens of Maryland as consumers.

The provisions of House Bill 570 would eliminate price competition at the retail level, shifting such competition to the wholesaling and manufacturing level. Such a shift, in my opinion, invites collusive agreements to the detriment of the consumer. And, while it may be true that many consumers do not save under the present system, it is equally true that the opportunity to save does exist now. I would be most reluctant to deny consumers this opportunity. In this regard, the State cannot promote the interest of the small liquor dealer at the expense of the vast majority of citizens.

But, perhaps the most significant reason for my rejection of House Bill 570 is that this Bill is not consistent with the economic system that has prevailed in the United States for centuries. For the State to disregard the laws of supply and demand, for the State to superimpose its will upon the operations of a free market would establish a precedent that harbors serious consequences. This year, we discuss minimum prices for liquor. Will it be bread next year? Will it be milk the following?

The argument also has been put forth that House Bill 570 would promote temperance. There is no merit to this argument if one has in mind confirmed alcoholics. If the proponents of this legislation are suggesting that it would reduce business activity, then I am not convinced. Those engaged in the alcoholic beverages industry are motivated by the same factors that always have motivated economic man and this does not include reduced business activity.

House Bill 570 would require the State Comptroller to enforce minimum prices as established by wholesalers and manufacturers. I do not believe the Comptroller should be placed in this position particularly when the industry itself, under the Fair Trade Laws, can take similar action. House Bill 570 also would promote the illegal transportation of alcoholic beverages across the State line, particularly in those areas that border the District of Columbia.

Finally, while I have no comment as to the constitutionality of this legislation, I think it fair to question whether or not liquor dealers in each County will receive equal treatment inasmuch as several counties have been exempted from the provisions of this Bill.

For these reasons, I have vetoed House Bill 570.

With kindest personal regards, I am

Sincerely yours,

(s) J. MILLARD TAWES,
Governor.

JMT/Jd

House Bill No. 579—Special Tax Zone in Anne Arundel County

AN ACT to add new Sections 28-38 to 28-41 inclusive, to the Anne Arundel County Code (1957 Edition and 1961 Supplement, being Article 2 of the Code of Public Local Laws of Maryland), title "Anne