

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 996
Economic Matters

(St. Mary's County Delegation)

Education, Health, and Environmental Affairs

St. Mary's County - Alcoholic Beverages - Beer Festival License

This bill authorizes the St. Mary's County Alcoholic Beverage Board to issue a special beer festival (BF) license. The board must approve one weekend annually for the beer festival that does not conflict with the dates for the Sotterley Wine Festival; approve a festival location in Historic St. Mary's City; and ensure that the festival's primary focuses are promotion of Maryland beer and tourism in Historic St. Mary's City. The license fee is \$15.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal increase in St. Mary's County revenues from special beer festival licensing fees. County expenditures are not affected.

Small Business Effect: Minimal. Some licensed beer sellers in St. Mary's County will experience minimal increase in beer sales as a result of festival participation.

Analysis

Bill Summary: An applicant for a Special BF license must already possess a retail alcoholic beverages license issued in the state authorizing the sale of beer, a State Class 5 brewery license, a State Class 6 pub-brewery license, or a State Class 7 micro brewery license. The holder of a special BF license must display and sell only beer that is:

- manufactured and processed in any state;
- price filed in accordance with regulations adopted by the Comptroller;
- distributed in the State at the time the application is filed; and

- sold at retail on festival days and hours for consumption on or off the licensed premises.

Holding a special BF license does not preclude the holder from holding another, different, alcoholic beverages license. The St. Mary's County Alcoholic Beverage Board must adopt regulations to implement the bill's provisions.

Current Law: The St. Mary's County Alcoholic Beverage Board is authorized to issue a special wine festival (WF) license to a holder of an existing State retail alcoholic beverages license authorizing the sale of wine, a State Class 3 winery license, or a State Class 4 limited winery license. The special wine festival licensee is permitted to display and sell wine that is manufactured and processed in any state; price filed in accordance with the Comptroller's regulations; and distributed in Maryland at the time the application is filed.

The special WF licensee may only display and sell wine at retail for consumption on or off the licensed premises on the days and for the hours designated for the wine festival. Wine that is produced in any state may be sold for off-premises consumption. The license fee is \$15. The St. Mary's County Alcoholic Beverage Board of must approve one weekend annually for the wine festival at a location in St. Mary's County that does not hold an alcoholic beverages license and ensure that the primary focus of the festival is the promotion of Maryland wine.

Background: Beer festival licenses may be issued in Baltimore City and Baltimore, Carroll, Frederick, and Wicomico counties. Also, Allegany, Anne Arundel, Charles, Dorchester, Queen Anne's, and Worcester counties hold annual festivals that promote both beer and wine.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): St. Mary's County, Comptroller's Office, Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2011
ncs/hlb

Analysis by: Scott P. Gates

Direct Inquiries to:
(410) 946-5510
(301) 970-5510