

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 525 (Allegany County Delegation)
Economic Matters

Alcoholic Beverages - Allegany County - Special Beer Festival License

This bill authorizes the Allegany County Board of License Commissioners to issue a special beer festival license. The license fee is \$100 for each day. The license authorizes the holder to display and sell at retail beer for consumption on or off the licensed premises on the days, and for the hours, designated for the festival in the county. The board may approve four weekends each year for the special beer festival. The board must approve the location for a special beer festival subject to specified restrictions. The board must also adopt regulations to implement the bill.

An applicant for a special beer festival license must be a holder of (1) a retail alcoholic beverages license; (2) a Class 5 manufacturer's license; (3) a Class 7 micro-brewery license; or (4) a Class 8 farm brewery license. The bill does not prohibit the license holder from holding any other alcoholic beverages license.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Allegany County revenues increase by \$100 per day for each special beer festival license issued; assuming the board approves four weekends each year for such festivals, county revenues increase by a maximum of \$800 annually. Expenditures are not materially affected.

Small Business Effect: Minimal overall, but potential meaningful positive impact for any business that applies for and obtains a special beer festival license.

Analysis

Bill Summary:

Sunday Hours of Sale

On Sundays, the sale of beer for consumption on the licensed premises may begin at 1:00 p.m. The sale of beer for off-premises consumption is prohibited on Sundays.

Festival Location

The board must approve as premises for the beer festival (1) a nonlicensed premises in the county or (2) a premises within the county with another on-sale license, but with the restriction that the license holder may not sell any alcoholic beverages during the special beer festival under that on-sale license.

Current Law: The Allegany County Board of License Commissioners may issue a special festival license to a holder of a retail alcoholic beverages license, a State Class 3 winery license, or a State Class 4 limited winery license. The festival is to be held on one weekend annually, chosen by the board of license commissioners, provided that the weekend that is selected does not occur on the same weekend as the Maryland Wine Festival.

A special festival license entitles the holder only to display and sell wine that (1) is manufactured and processed in any state; (2) the price of which has been filed in accordance with regulations adopted by the Comptroller; and (3) is distributed in the State at the time the application is filed. A license holder may display and sell beer that is brewed by a brewer (1) who brews less than 60,000 barrels of beer annually and (2) whose product is distributed in the State at the time the application is filed. The board is authorized to establish a license fee.

The primary focus of the special festival must be the promotion of Maryland beer and wine.

Background: Numerous beer and wine festivals are held annually throughout the State. The events are seen as advertising and publicity opportunities for the businesses that participate in the festivals. With the exception of Caroline, Kent, and Talbot counties, each jurisdiction in Maryland authorizes certain types of beer, wine, or special beer and wine festivals to take place in their respective jurisdictions.

Additional Information

Prior Introductions: None.

Cross File: SB 348 (Senator Edwards) - Education, Health, and Environmental Affairs.

Information Source(s): Allegany County, Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2015
md/lgc

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