Department of Legislative Services

Maryland General Assembly 2015 Session

FISCAL AND POLICY NOTE Revised

House Bill 88

(Montgomery County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Montgomery County - Alcoholic Beverages - Refillable Wine Containers MC 19-15

This bill authorizes the Montgomery County Board of License Commissioners to issue a refillable wine container permit to the holder of an alcoholic beverages license that allows the sale of wine for off-premises consumption. The refillable container must meet the standards specified in current law for refillable wine containers. The board must issue the refillable wine container permit at no cost to the applicant.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County revenues are unaffected because the bill specifies that a refillable container permit must be issued at no cost to the applicant. Montgomery County can monitor any additional permits with existing resources.

Small Business Effect: Minimal overall, but potential meaningful for any qualifying licensee that obtains the permit and has significant refillable container sales.

Analysis

Current Law: Statewide law prohibits any retail dealer, or agent or employee of a retail dealer, from refilling any container of alcoholic beverages with any substance after the container has been emptied of its original contents, except in specified jurisdictions which authorize the sale of alcoholic beverages in refillable containers.

Chapter 518 of 2014 standardized requirements for refillable containers used in the sale of draft beer or wine for off premises consumption across the State. A permit holder may refill a refillable container originating from inside or outside the State that meets the following requirements, as well as any other standards for refillable containers adopted by the Comptroller.

- A refillable container for beer must have a capacity of not less than 32 ounces and not more than 128 ounces and must bear a label stating that the contents of the container are perishable and should be refrigerated immediately and consumed within 48 hours after purchase.
- A refillable container for wine must have a capacity of not less than 17 ounces and not more than 34 ounces.
- A refillable container used for beer or wine must (1) be sealable; (2) be branded with an identifying mark of the seller of the container; (3) bear a specified federal health warning statement; (4) display instructions for cleaning the container; and (5) bear a label stating that cleaning the container is the responsibility of the consumer.

The Montgomery County Board of License Commissioners is authorized to issue a refillable container permit to the holder of a Class B or Class D beer and light wine license. This permit entitles the holder to sell draft beer for consumption off the licensed premises in a refillable container with a capacity of not less than 32 ounces and not more than 128 ounces.

Background: In the retail alcoholic beverages industry, refillable containers are commonly called "growlers."

In fiscal 2014, there were 993 total licenses issued for use in Montgomery County that authorize the sale of wine.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office, Montgomery County, Department of Legislative Services

HB 88/ Page 2

Fiscal Note History: First Reader - February 2, 2015

md/lgc Revised - House Third Reader - March 24, 2015

Analysis by: Richard L. Duncan Direct Inquiries to:

(410) 946-5510 (301) 970-5510