Department of Legislative Services

Maryland General Assembly 2016 Session

FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 753 Finance (Senator Klausmeier, et al.)

Health and Government Operations

Health - Sale of Food Products Containing Alcohol - Requirements and Restrictions

This emergency bill expands current law provisions related to permissible alcohol content in confectioneries by repealing the *de facto* prohibition against the sale of such a food product with more than 5% alcohol per volume (due to its current classification as "adulterated") and establishing new standards for the manufacture or sale of a food product that contains more than 0.5% alcohol per volume. Specifically, a *food product* that contains more than 0.5% of alcohol per volume may not be sold to individuals younger than age 21. The label of such a product must state that the product may not be sold to individuals younger than age 21, that the product contains alcohol, and the product's alcohol percent per volume. The bill does not (1) prohibit the addition of alcohol to a food product (including a confectionery or a frozen dessert) or (2) limit the application of relevant provisions of the Alcoholic Beverages Article (and implementing regulations) to a manufacturer or seller of a food product that contains more than 0.5% of alcohol per volume. Additionally, the bill does not establish a limit on the total percent alcohol per volume authorized in a food product.

Fiscal Summary

State Effect: The Department of Health and Mental Hygiene can update regulations to reflect the bill's provisions with existing budgeted resources and staff.

Local Effect: No fiscal or operational impact on local health departments.

Small Business Effect: Potential meaningful to the extent that a small business is able to expand sales due to additional product lines that may be sold in Maryland under the bill's provisions.

Analysis

Current Law: A confectionery (versus a food product in general) is considered adulterated if it contains any alcohol in excess of 5% by volume or that is derived from anything other than flavoring extracts. Otherwise, a confectionery manufactured or sold in the State that contains between 0.5% and 5% alcohol per volume may not be sold to individuals younger than age 21. Additionally, the label of such a product must state that the product may not be sold to individuals younger than age 21 and that it contains alcohol up to 5% per volume.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office, Department of Health and Mental Hygiene, Maryland Association of County Health Officers, Department of Legislative Services

Fiscal Note History:	First Reader - February 29, 2016
kb/ljm	Revised - Senate Third Reader - March 24, 2016

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