Department of Legislative Services

Maryland General Assembly 2018 Session

FISCAL AND POLICY NOTE Third Reader

House Bill 270

(Delegate Lisanti, et al.)

Economic Matters

Education, Health, and Environmental Affairs

Alcoholic Beverages - Brewing Company Off-Site Permits and Winery Off-Site Permits - Harford County Farm Fair

This bill adds the Harford County Farm Fair to the list of off-site events for which a holder of a brewery company off-site permit, or a winery off-site permit, may use the permit. The bill also authorizes the Comptroller's Office to establish the timeframe within which the permit holder is required to notify the Comptroller of the permit holder's intention to attend an off-site event. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The bill is not anticipated to materially impact State finances or operations.

Local Effect: The bill is not anticipated to materially impact local government finances or operations.

Small Business Effect: Minimal.

Analysis

Current Law:

Brewing Company Off-site Permit

The Comptroller may issue a brewing company off-site permit to a Class 5 brewery, a Class 7 micro-brewery, or a Class 8 farm brewery. The permit authorizes a holder, during an eligible event, to (1) provide to a consumer a sample of beer that has been produced by the permit holder and that may not exceed one fluid ounce for each offering; (2) sell to a

consumer up to 288 ounces of beer produced by the permit holder for off-premises consumption; and (3) except for specified farmers' markets, sell to a consumer up to 288 ounces of beer produced by the permit holder for on- and off-premises consumption. Eligible events are detailed in **Exhibit 1**.

By the twentieth day of the month preceding the off-site event, the permit holder must notify the Comptroller of the permit holder's intention to attend an off-site event on a form provided by the Comptroller.

Winery Off-site Permit

The Comptroller may issue a winery off-site permit to a Class 4 limited winery. The permit authorizes a holder, during an eligible event, to (1) provide to a consumer a sample of wine that has been produced by the permit holder and does not exceed one fluid ounce for each offering; (2) sell to a consumer wine that has been produced by the permit holder for off-premises consumption; and (3) except for specified farmers' markets, sell to a consumer wine that is produced by the permit holder for on- and off-premises consumption. Eligible events are detailed in Exhibit 1.

The permit holder must notify the Comptroller of the permit holder's intention to attend an off-site event, within a time period that the Comptroller determines, on a form provided by the Comptroller.

Exhibit 1 Brewing Company and Winery Off-site Permit Eligible Events

<u>Event</u> Montgomery County Agricultural Fair	Brewing Company Off-site Permit Yes	Winery <u>Off-site Permit</u> Yes
Maryland State Agricultural Fair	Yes	No
Frederick County Agricultural Fair	Yes	No
One night each week, June through November, at the North Beach Friday Night Farmers' Market	Yes	Yes
Event that has a major purpose other than the sale of alcoholic beverages, for which the participation of a permit holder is a subordinate activity	Up to 7 events annually	Up to 32 events total and up to 9 events at any single location
A farmers' market listed on the Farmers' Market Directory of the Maryland Department of Agriculture	Yes	Yes
A wine festival that has, as its primary purpose, the promotion of Maryland wine and is authorized by the Comptroller	No	Yes
Source: Department of Lagislative Services		

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Background: Generally, the Harford County Farm Fair is an annual event celebrating Harford County's agricultural heritage. The fair feature rides, farm animals, and food, among other attractions.

Additional Information

Prior Introductions: HB 780 of 2017, a similar bill, passed the House and received a favorable report from the Senate Education, Health, and Environmental Affairs, but no further action was taken.

Cross File: None.

Information Source(s): Harford County; Comptroller's Office; Department of

Legislative Services

Fiscal Note History: First Reader - January 29, 2018 md/tso Third Reader - March 12, 2018

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