



HB 595 & SB 448

ALCOHOLIC BEVERAGES

MANUFACTURER'S LICENSES & OFF-SITE PERMITS

POSITION: **SUPPORT** the two-year sunset extension for the privileges set forth in HB 550 & SB 476 in 2022.

BILL SUMMARY:

This legislation proposes a two-year sunset extension to permit Maryland manufacturers (breweries, distilleries and wineries) to continue the following:

- I. Direct ship (using a common carrier) the products they produce to Marylanders;
- II. Deliver (using employees) the products they produce to Marylanders;
- III. Sell their products to Marylanders off-premise without a restrictive volume cap.

RATIONALE FOR PASSING EXTENSION:

- I. Supports manufacturers that invested in infrastructure to utilize these privileges;
- II. Sustains the lines of revenue generated from sales related to these privileges;
- III. Offsets losses related to the pandemic;
- IV. Recognizes consumer demand (constituent demand) in the modern era; and
- V. Codifies equitable treatment amongst the entire manufacturing tier.
 - Note: Prior to Covid, Maryland wineries had the right to direct ship dating back to 2011 and wineries also had no-limit to off-premise sales.

NOTABLE INDUSTRY STATISTICS:

According to the Value-Added Agriculture in Maryland Economic Analysis (2020), the members that make up the Maryland Alcohol Manufacturers:

- Represent over 275 breweries, distilleries and wineries.
- Have an annual economic impact of \$3.4 billion and generate \$52 million/year in tax revenue.
- Support over 8,500 jobs in the manufacturing, agriculture, tourism and hospitality industries.