



Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
House Bill 178 – State Designations – State Spirit – Maryland Rye
Health and Government Operations Committee
March 15, 2023

The Rural Maryland Council supports House Bill 178 – State Designations – State Spirit – Maryland Rye. This bill will designate Maryland Rye or Maryland Rye Whiskey as the State spirit.

Maryland was once renowned for its rye whiskey production surpassing all states except Kentucky and Pennsylvania. In 1911, Maryland produced 5.6 million gallons of distilled spirits – most of it rye. Unfortunately, those distilleries disappeared after World War II when American whiskey production consolidated in Kentucky. By establishing a State Spirit, like the establishment of Smith Island Cake as the State Dessert, the State could incentivize rye production, resulting in more value-added agriculture production and an increase of customers to Maryland's distilleries.

Maryland has a growing craft beverage market that contributes greatly to the State economy. According to Grow & Fortify's *Value Added Agriculture in Maryland* report, Maryland's craft distilleries had a value-added impact of over \$179 million, supported almost 1,000 jobs, and added more than \$13 million in state and local tax revenues. The addition of a state rye would give an opportunity to these distilleries to produce and sell this spirit, encouraging customers from in and out of the State to try Maryland's State rye. The Maryland Rye could also encourage the purchase of more locally grown products. Maryland farmers could grow and sell the barley and corn used to produce the rye.

The Council supports and encourages value added agriculture and the benefits it brings to both farmers and the State economy. The Rural Maryland Council respectfully requests your favorable support of House Bill 178.

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.