

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 898 (Montgomery County Delegation)

Economic Matters

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Montgomery County - Alcoholic Beverages (Micro-Brewery Licenses)  
MC 821-98

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This bill authorizes a Class 7 micro-brewery licensee in Montgomery County to sell beer at retail to customers for consumption off the licensed premises in refillable containers that are sealed by the micro-brewery at the time of each refill.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** The Montgomery County Board of License Commissioners could monitor micro-breweries with existing resources. No effect on revenues.

**Small Business Effect:** Minimal effect on existing small businesses in Montgomery County, with the potential for a meaningful impact on future businesses.

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Fiscal Analysis

**Small Business Effect:** Currently, there are 15 micro-breweries operating in Maryland, two of which are located in Montgomery County. The micro-brewery and pub-brewery industry generates between \$10 million and \$15 million in revenues annually, including the restaurant businesses. According to the Comptroller's Office, micro-breweries produced approximately 276,000 gallons of beer in fiscal 1996 and 383,200 gallons in fiscal 1997. Under the bill, micro-breweries in Montgomery County could sell beer to customers for off-premises consumption in refillable containers that are sealed by the micro-brewery licensees at the time of each refill. As a result, these micro-breweries could be impacted favorably through additional profits depending upon the number of gallons sold for off-premises consumption. There is a potential meaningful impact to future businesses to the extent that the ability to sell

to customers for off-premises consumption encourages the establishment of micro-breweries in Montgomery County. If additional micro-breweries are established in the county in the future, the operations of current businesses would be impacted by the increased competition.

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**Information Source(s):** Montgomery County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 1998

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