

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE**Revised**

Senate Bill 154

(Senator Della)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore County - Licenses - Special Wine Festival and Special Beer Festival

This bill alters the scope, terms, and conditions of a special beer and wine festival license issued by the Baltimore County Board of License Commissioners by creating a separate wine festival license and a separate beer festival license. The bill repeals the restrictions that the festival licensee may only display and sell wine that is produced and processed in Maryland and beer that is produced and processed at a Class 5 brewery or a Class 7 microbrewery. The bill also requires the Baltimore County Board of License Commissioners to ensure that the primary focus of the festival is the promotion of Maryland wine.

The bill is effective June 1, 2002.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore County revenues would increase by \$15 for each special wine festival or special beer festival license issued. Expenditures would not be affected.

Small Business Effect: Minimal. Maryland wineries and micro-breweries could be positively impacted by promoting their products at annual beer and wine festivals in Baltimore County.

Analysis

Current Law: The Baltimore County Board of License Commissioners may issue a special beer and wine festival license to a holder of an existing retail alcoholic beverages license issued by the State, a Class 5 brewery license, a Class 7 micro-brewery license, a

State Class 3 winery license, or a State Class 4 winery license. The license fee is set at \$15.

A special beer and wine festival licensee may only display and sell wine that is produced and processed in Maryland and beer that is produced and processed at a Class 5 brewery or a Class 7 microbrewery in Maryland.

Beer and wine festival licenses are also issued in Allegany, Anne Arundel, Baltimore, Charles, Dorchester, Queen Anne's, and Worcester counties. Wine festival licenses may be issued in Baltimore City and Calvert, Carroll, Garrett, Harford, Howard, Somerset, and Washington counties. Additionally, a wine festival license as well as a beer and wine festival license may be issued in the City of Annapolis. A beer festival license may be issued in Baltimore City. Festival licenses that restrict the products for display and for sale to those produced in Maryland include Baltimore, Carroll, Harford, Howard, Somerset, and Washington counties.

Background: Baltimore County advises that, until recently, approximately 20 festival events featuring Maryland beer and wine products were held in Baltimore County each year. Baltimore County further advises that in recent years changes in the marketplace have made special festivals featuring both beer and wine products unpopular with consumers. Baltimore County anticipates that splitting the existing beer and wine festival license into two separate beer and wine festival licenses will attract approximately 20 events annually.

Maryland wineries include Basignani Winery, Boordy Winery, Catocin Winery, Cygnus Wine Cellars, Deep Creek Cellars, Elk Run Vineyards, Fiore Winery, Linganore Wine Cellars, Loew Vineyards, Penn Oak Winery, and Woodhall Winery. As of April 30, 2001, there were three Class 5 licensed breweries and 20 Class 7 licensed microbreweries in Maryland.

Local Fiscal Effect: Baltimore County revenues will increase by \$15 for each special beer festival license and each special wine festival license issued. Assuming 20 separate beer and wine festivals are held, Baltimore County revenues could increase by \$300 annually. Baltimore County revenue increases will vary depending on the actual number of licenses issued in any given year. Monitoring of the licenses could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 5, 2002
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