

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 1577

(Delegate Kach)

Economic Matters

Education, Health, and Environmental Affairs

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**Baltimore County - Alcoholic Beverages - Class 4 Manufacturer's (Limited Winery) Licenses**

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This emergency bill exempts a winery in Baltimore County that applies for a Class A/Class 4 license from any quotas established by the Baltimore County Board of License Commissioners for the number of licenses in the election district where the winery is located. The bill also repeals an exemption for Class A/Class 3 licensed wineries from license quotas in Baltimore County.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None. The bill will not directly affect Baltimore County finances.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** A Class A light wine license may be issued by the applicable county licensing authority to a Class 4 manufacturer's license holder and in specified counties, a Class 3 manufacturer's license holder. Light wine is defined as a fermented beverage that does not contain more than 15.5% alcohol by volume, except in a number of counties where the limit is 22%, and Harford County where the limit is 23%.

The Class A light wine license generally authorizes the license holder to keep for sale and to sell light wines produced at the winery of the holder in any quantity, and to any

consumer, on the premises described in the license. The light wine must be packaged and cannot be opened or consumed on the licensed premises. Unless statutorily specified, a Class A light wine license fee is \$50.

A Class 4 manufacturer's license is a limited winery license that authorizes the license holder to establish and operate a winery producing wine and pomace brandy generally from Maryland agriculture products. The license holder generally may sell wine on the winery premises to individuals who have participated in a guided tour or attend a promotional or other organized event at the winery.

Sixteen counties are currently authorized to issue Class A light wine licenses. Baltimore City and Garrett County are authorized to issue Class A2 light wine licenses, allowing wine to be sold from the winery either packaged or for consumption at a restaurant owned and operated by the license holder and adjacent to the winery.

Cecil County has a similar exemption to that proposed by this bill.

**Background:** The quotas for alcoholic beverages licenses in each election district in Baltimore County are one on-sale license for every 2,500 persons in each election district and one off-sale for every 4,000 persons in each election district. A license is not transferable from the election district in which it originated.

There are currently no Class 3 manufacturer's licenses issued in Baltimore County or the entire State. All of Maryland's 22 wineries hold Class 4 manufacturer's licenses. The Class 4 license offers some benefits a Class 3 license does not, including the ability to distill and bottle pomace brandy and sell by the glass wine and pomace brandy to persons who participate in a guided tour or attend a scheduled promotional event or other organized activity at the winery.

The Baltimore County Board of Liquor License Commissioners advises there currently are two wineries in Baltimore County that have "Class A/W (exception) licenses" and are not subject to the election district quotas.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 3, 2006  
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