

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

House Bill 702 (Delegate V. Clagett)
Economic Matters

Alcoholic Beverages - Class A Light Wine Licenses - Residency Requirement

This bill requires an application for a Class A light wine license to include a statement that the applicant has been a resident of the State of Maryland for at least the two years immediately preceding the application.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None.

Local Effect: Local government expenditures could increase by a minimal amount to add the required statement to current application forms.

Small Business Effect: Minimal.

Analysis

Current Law: A Class A light wine license allows a license holder to sell light wines produced at the winery in any quantity, to any consumer at retail at the place described in the license. This license allows for off-sale consumption only.

There is no State residency requirement for a Class A light wine license. A Class A light wine license may be issued by the licensing authority in the 16 counties where such a license is permitted.

County alcoholic beverages license applications require an applicant be a resident of that county for at least the two years preceding the application. In Dorchester County, the residency requirement is one year.

Background: Class A light wine licenses are typically issued to Class 4 limited wineries (otherwise known as Class 4 manufacturers). Without a Class A light wine license, a Class 4 limited winery may only sell up to one quart of each brand to a customer in a given year.

The Comptroller's Office may issue a Class 4 limited winery license anywhere in the State. The Comptroller requires that an applicant for a Class 4 limited winery license or any other manufacturer's license be a resident of the State for the two years immediately preceding the filing of an application.

This bill would align the residency requirement for a Class A light wine license with the State residency requirement for a Class 4 limited winery.

Additional Information

Prior Introductions: None.

Cross File: SB 473 (Senators Munson and Middleton) – Education, Health, and Environmental Affairs.

Information Source(s): Comptroller's Office, Department of Legislative Services

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bfl/hlb

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