

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 25 (Delegates Bohanan and Wood)
Economic Matters

St. Mary's County - Limited Wineries - Special Event Permits

This bill increases existing limits on the number of winery special event permits that may be issued to a licensed Class 4 Maryland limited winery in St. Mary's County. The bill authorizes the Comptroller's Office to issue to a winery in St. Mary's County up to 18 permits per calendar year and prohibits the use of more than five permits in the same political subdivision.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: General fund revenues could increase by a minimal amount. Expenditures would not be affected.

Local Effect: None.

Small Business Effect: Potential meaningful impact on Class 4 limited wineries in St. Mary's County.

Analysis

Current Law: The Comptroller's Office is authorized to issue up to 12 winery special event permits to a holder of a Class 4 manufacturer's (Maryland limited winery) license in any given calendar year. A permit may not exceed three consecutive days and no more than three winery special event permits may be issued to any limited winery for use in the same political subdivision during a calendar year.

The permit may only be issued for an event which (1) has as its major purpose an activity other than the sale and promotion of alcoholic beverages and for which the participation of the winery is a subordinate activity; (2) is approved by the Maryland Department of Agriculture and the Comptroller's Office; and (3) is held on a nonlicensed premises or a premises on which a person may obtain a temporary alcoholic beverages license.

A winery special event permit authorizes the permit holder to provide one-ounce samples, sell wine by the glass for on-premises consumption, and sell no more than four 750 ml bottles of wine to a consumer for off-premises consumption. The fee for a winery special event permit is \$25 per event.

Background: There are currently no Class 4 limited wineries located in St. Mary's County but there are vineyards located in the county that could become licensed as limited wineries in the future. The Comptroller's Office issued 38 Winery Special Event permits in fiscal 2007. One special event permit was issued in St. Mary's County in fiscal 2007.

State Fiscal Effect: If a Class 4 limited winery was to be licensed within the county and receive the maximum number of allowed special event permits, general fund revenues could increase by \$150 due to the issuance of six additional winery special event permits.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): St. Mary's County, Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2008
ncs/hlb

Analysis by: Erik P. Timme

Direct Inquiries to:
(410) 946-5510
(301) 970-5510