Department of Legislative Services

Maryland General Assembly 2009 Session

FISCAL AND POLICY NOTE Revised

House Bill 970

(Prince George's County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Prince George's County - Winery Special Event Permits - Farmers' Markets PG 310-09

This bill authorizes the Comptroller's Office to issue up to 12 winery special event permits in a calendar year to a licensed Class 4 Maryland limited winery for use at farmers' markets in Prince George's County listed on the Maryland Department of Agriculture (MDA) Farmers' Market Directory. A permit holder may not sell wine by the glass at a farmers' market. The farmers' market administrator and each holder of a permit, or their designees, must be certified by an approved alcohol awareness program and must be present at the farmers' market during hours when alcohol may be sold.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: Minimal increase in general fund revenues. The fee for the winery special event permit is \$25 per event. Expenditures are not affected.

Local Effect: None.

Small Business Effect: Potential meaningful for Class 4 Maryland limited wineries.

Analysis

Current Law: The Comptroller's Office may 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. No more than three winery special event permits may be issued 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.

State Fiscal Effect: Ten farmers' markets in Prince George's County are listed in the MDA 2008 Farmers Market Directory. It is unclear how many of the 34 Class 4 Maryland limited wineries will seek additional permits to sell at farmers' markets. The potential revenue increase of \$25 for each additional permit issued is not expected to have a significant impact on State finances. As a point of reference, 43 winery special events permits were issued in fiscal 2008, which resulted in \$1,075 in revenue. Assuming each Class 4 Maryland limited winery is issued the maximum 12 special event permits, general fund revenues will increase by \$10,200 annually.

The Comptroller advises that additional permit activity can be handled with existing resources.

Small Business Effect: This bill may have a positive impact on certain Class 4 limited wineries due to the availability of additional permits for farmers' markets.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Comptroller's Office, Maryland

Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2009

mcp/mwc Revised - House Third Reader - March 31, 2009

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