

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 326  
Economic Matters

(Baltimore County Delegation)

Education, Health, and Environmental Affairs

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**Baltimore County - Winery Special Event Permits - Farmers' Markets**

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This bill authorizes the Comptroller's Office to issue up to 12 additional winery special event permits in a calendar year to a licensed Class 4 Maryland limited winery for use at farmers' markets in Baltimore County listed on the Maryland Department of Agriculture (MDA) Farmers' Market Directory. A Class 4 Maryland limited winery may not use more than six winery special permits at the same farmers' market in Baltimore County in a year. The holder of a winery special event permit is prohibited from selling wine by the glass. A farmers' market administrator or its designee is required to be present during hours when wine is being sold and to be certified by an approved alcohol awareness program.

The bill takes effect June 1, 2011.

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**Fiscal Summary**

**State Effect:** Potential 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 minimal impact for Class 4 Maryland limited wineries and for farmers' markets in Baltimore County.

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**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. With some exceptions, an individual may not be granted more than three winery special event permits for use in the same political subdivision during a calendar year. Montgomery and Prince George's counties allow an individual to receive an additional 12 winery special event permits for use at farmers' markets in each county. Additionally, Calvert County allows a winery special event permit to be issued for unlimited use for one night each week from June through November at the North Beach Friday Night Farmers' Market.

The winery special event 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 MDA 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:** Statewide, 95 winery special event permits were issued in fiscal 2010, which resulted in \$2,375 in general fund revenues due to collection of the \$25 permit issuance fee. There are 14 Baltimore County farmers' markets listed in the MDA 2010 Farmers Market Directory.

**State Fiscal Effect:** There are 49 Class 4 Limited wineries in Maryland that may take advantage of the expansion in permit availability under the bill and may attend additional farmers' markets in Baltimore County if given the opportunity. In 2010, 17 winery special event permits were issued in Baltimore County. Of the 17, only one winery received the maximum number of allowed special event permits (3). Three wineries had two events, and the rest had one event.

The Comptroller will issue winery special event permits for farmers' markets in Baltimore County for a fee of \$25 per event. Assuming the four wineries that received more than one special event permit in the county last year will each seek an extra five permits for use at farmers' markets in Baltimore County, general fund revenues increase by \$500 in fiscal 2012 and each year thereafter. The actual increase in revenues depends on the number of additional permits issued.

The Comptroller advises that any additional permit activity under the bill can be handled with existing resources.

## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office, Maryland Department of Agriculture,  
Baltimore County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2011  
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