

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

House Bill 716
Economic Matters

(Delegate Hershey, *et al.*)

Education, Health, and Environmental Affairs

Alcoholic Beverages - Queen Anne's County - Beer and Wine Festivals

This bill increases the number of beer and wine festivals (BWF) authorized in Queen Anne's County in which special BWF licenses are issued by the Queen Anne's County Board of License Commissioners from the present one weekend annually, Friday through Sunday inclusive, to a maximum of four weekends annually.

The bill takes effect July 1, 2012.

Fiscal Summary

State Effect: None.

Local Effect: Queen Anne's County revenues will increase by approximately \$1,500 per year from additional license fees generated by the three additional BWF events beginning in FY 2013.

Small Business Effect: Potential meaningful.

Analysis

Current Law: The Queen Anne's County Board of License Commissioners is authorized to issue, regulate, and set the license fees of special BWF licenses for a festival held one weekend a year, Friday through Sunday inclusive, at a location in the county chosen by the board. The primary focus of the festival must be the promotion of Maryland beer and wine, and it cannot take place within 14 days on either side of the Maryland Wine Festival.

The special BWF licensee must be a holder of an existing State retail alcoholic beverages license, a State Class 3 winery license, or a State Class 4 limited winery license. A licensee is permitted to display and sell wine that is manufactured and processed in any state; price filed in accordance with the Comptroller's regulations; and distributed in Maryland at the time the application is filed. A licensee is permitted to display and sell beer that is brewed by a brewer who brews less than 60,000 barrels of beer annually; and whose product is distributed in Maryland at the time the application is filed.

The licensee may display and sell beer and wine at retail for consumption on or off the licensed premises, and display and sell wine at retail that is manufactured and processed in any state for consumption off the licensed premises on the days and for the hours designated for the BWF.

All products that are displayed and sold at the BWF must be invoiced to the BWF licensee by a licensed State wholesaler, winery, or limited winery who must deliver the products to the BWF licensee directly from their licensed premises up to two days prior to the effective date of the BWF license. The beer and wine products must be accepted for return by the wholesaler, winery, or limited winery up to two days after the expiration date of the license.

A holder of a BWF license is not prohibited from holding another alcoholic beverages license of a different class or nature.

Background: The current special BWF license fee is \$50 in Queen Anne's County. Queen Anne's County advises that approximately 10 wineries have participated in past annual festivals which were held just one weekend a year.

Local Revenues: Queen Anne's County advises if the BWF is expanded from the current one annual event to four events, the potential revenue increase from additional license fees would be approximately \$1,500 per year, beginning in fiscal 2013.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Queen Anne's County, Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2012
ncs/hlb

Analysis by: Trevor S. Owen

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