

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 920 (Senator Hershey)  
Education, Health, and Environmental Affairs

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Alcoholic Beverages - Charitable Donations

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This bill authorizes a holder of a Class 1 (distillery), a Class 3 (winery), a Class 4 (limited winery), a Class 5 (brewery), a Class 6 (pub-brewery), a Class 7 (micro-brewery), or a Class 8 (farm brewery) manufacturer's license, after paying the excise tax, to provide without cost the respective beer, wine, or liquor that the holder produces to a special Class C beer, wine, and liquor license holder. A holder of a Class 3 (winery) or a Class 4 (limited winery) manufacturer's license, after paying the excise tax, may also provide without cost wine that the holder produces to a special Class C beer and wine license holder. A holder of a Class 5 (brewery), a Class 6 (pub-brewery), a Class 7 (micro-brewery), or a Class 8 (farm brewery) manufacturer's license, after paying the excise tax, may also provide without cost beer that the holder produces to a special Class C beer or special Class C beer and wine license holder.

The bill takes effect July 1, 2015.

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Fiscal Summary

**State Effect:** The bill does not materially affect the operations or finances of the Comptroller's Office. The Comptroller's Office advises that it can make changes to the manufacturer's license forms with existing resources, although it may experience difficulties with changing the license forms by the bill's effective date.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Generally, the county board of license commissioners may grant a special Class C license to a club, society, or association for a *bona fide* entertainment event held or conducted by the organization. A special Class C beer license; a special Class C beer and light wine license; or a special Class C beer, wine, and liquor license allows the holder to exercise any of the privileges conferred by the respective license class for a period not to exceed seven consecutive days. Unless otherwise specified, the license fee for a special Class C beer license and a special Class C beer and light wine license is \$5 per day, and the license fee for a special Class C beer, wine, and liquor license is \$15 per day. Wholesale license holders may enter into an agreement with the special one-day Class C beer or beer and wine license holder to deliver beer or wine two days prior to the effective date and to accept returns two days after the expiration date of the special license. Generally, Class C beer, wine, and liquor license holders must purchase alcoholic beverages from retail dealers.

A wholesaler licensed in the State may donate alcoholic beverages to a special three-day Class C beer, wine, and liquor license holder at the National Harbor in Prince George's County.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 24, 2015  
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