

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 666

(Economic Matters Committee)

Economic Matters

Education, Health, and Environmental Affairs

Alcoholic Beverages - Nonprofit Beer, Wine, and Liquor Festival Permit - Retail
Off-Site Permit

This bill generally combines the existing nonprofit beer festival permit, nonprofit wine festival permit, and nonprofit liquor festival permit into a single nonprofit beer, wine, and liquor festival permit and makes a series of conforming changes. The bill also converts the existing farmers' market permit into a "retail off-site permit" and expands its associated privileges. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: The Comptroller's Office can handle the bill's requirements using existing budgeted resources. Revenues are not materially affected.

Local Effect: The bill does not materially affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: For the nonprofit beer, wine, and liquor festival permit established by the bill, the permit fee is \$100 to promote a single product category (either beer, wine, or liquor), \$150 to promote two product categories, and \$200 to promote all three product categories.

The retail off-site permit may be issued to the holder of a license issued by a local licensing board with off-sale privileges, but it may not be issued to a chain store. The permit authorizes the permit holder to, (1) at a farmers' market, offer and sell beer, wine, and

liquor produced by State-licensed manufacturers to consumers for consumption off premises and (2) at a nonprofit beer, wine, and liquor festival, provide samples, as specified, and offer and sell beer, wine, and liquor for on- and off-premises consumption. The permit holder must notify the appropriate local licensing board of the off-site event that will be held with the permit and a permit may only be used for specified farmers' markets and nonprofit festivals. The permit fee is \$100.

Current Law:

Nonprofit Festival Permits

The Comptroller's Office is authorized to issue a nonprofit beer festival permit, a nonprofit wine festival permit, or a nonprofit liquor festival permit to a nonprofit organization that meets specified requirements. Each permit authorizes the nonprofit organization to conduct a festival for between one and three consecutive days, to provide samples (in specified quantities), and sell alcoholic beverages to consumers. For all three permits, the purpose of the festival must be the promotion of Maryland-produced alcoholic beverages, and the alcoholic beverages sampled and sold may have been purchased at wholesale. Additionally, for all three permits, the permit fee is \$100.

Farmers' Market Permit

The Comptroller's Office is authorized to issue a farmers' market permit to a holder of a license (except for a Class 4 limited winery license) that allows the sale of alcoholic beverages for off-premises consumption and was issued by the local licensing board of the jurisdiction where the farmers' market will be held; the permit holder must notify the local licensing board that the permit was issued. The permit authorizes the sampling of opened wine and sale of sealed containers of wine for off-premises consumption at specified farmers' markets in the State.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 20, 2019
mag/tso Third Reader - April 5, 2019

Analysis by: Richard L. Duncan

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