

**Department of Legislative Services**  
Maryland General Assembly  
2020 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

House Bill 789  
Economic Matters

(Washington County Delegation)

Education, Health, and Environmental Affairs

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**Washington County - Alcoholic Beverages - Wineries - Special Event Permits**

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This emergency bill reauthorizes the Washington County Board of License Commissioners to issue a special event permit to a holder of a Class 3 winery license or a Class 4 limited winery license. The permit authorizes the holder to sell beer, wine produced by the holder, sparkling wine that is naturally or artificially carbonated, and liquor for on-premises consumption at an event for which the entire licensed premises has been rented. The license holder must purchase the beer, sparkling wine, or liquor intended for sale under the permit from a licensed retailer. A license holder must keep all receipts of purchase of alcoholic beverages for one year after the date of purchase. A license holder that intends to use the permit must notify the board at least one week before the event is to occur and may use the permit up to 32 times in a year. The annual permit fee is \$1,000.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Washington County revenues increase minimally beginning in FY 2020, as discussed below. Any enforcement activity can be handled with existing resources.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Chapter 432 of 2017 authorized the board to issue a special event permit to the holder of a Class 3 winery license or Class 4 limited winery license. The permit authorized the holder to sell beer, wine produced by the holder, and liquor for on-premises consumption at (1) an event for which the entire licensed premises has been rented or (2) an

event approved by the board. The Act required a license holder who intended to use the permit to notify the board at least one week in advance of an event and prohibited a license holder from using the permit more than 60 times in a year. The annual permit fee was \$1,000.

Pursuant to Chapter 432, the board's authorization to issue special event permits terminated June 30, 2019.

**Local Fiscal Effect:** For each permit issued under the bill, Washington County revenues increase by \$1,000 annually. The board advises that there are an estimated five wineries in Washington County that are potentially eligible for a permit under the bill. The board further advises that one special event permit was issued under Chapter 432.

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### **Additional Information**

**Prior Introductions:** HB 354 of 2019, a similar bill, passed both houses as amended, but differences between the two versions of the bill were not resolved. Its cross file, SB 104, passed both houses as amended, but differences between the two versions of the bill were not resolved.

**Designated Cross File:** None.

**Information Source(s):** Washington County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 13, 2020  
rh/tso Third Reader - March 16, 2020  
Revised - Amendment(s) - March 16, 2020  
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