



SENATE BILL 839
BREWERS ASSOCIATION OF MARYLAND – 2020 PRIORITY LEGISLATION

POSITION: SUPPORT SB 839

BILL SUMMARY: SB839 makes necessary technical changes stemming from the 2019 Brewery Modernization Act, clarifies statutory provisions with respect to special event and off-premise permits by consolidating permitting language, and applies last year’s ABV disclosures equally to all alcohol manufacturers (with deference to current Federal requirements).

WHAT DOES SB 839 DO?

- Creates a single “Manufacturer Off-Site Permit” and strikes individual permits for wineries, breweries and distilleries in an effort to consolidate and make consistent the language and authorities granted. With some manufacturers now holding multiple licenses (winery, brewery, etc.), they are currently obtaining up to three different—and conflicting—off-site permits annually. This bill also eliminates the current 3,000-barrel conditional production threshold for a Class 5 or Class 7 brewery to obtain an off-site permit. *This is based on existing law and previous precedent within consensus legislation over the last few years.*
- Creates a new “Brewery Special Event Permit” and strikes the “promotional event permit” and “multi-brewery activity” from the Class 5 and Class 8 statutes. The new “Brewery Special Event Permit” is based off of existing authorities and previous agreements. The existing language and lack of continuity within each license creates gray areas requiring constant interpretation by the Comptroller’s office. This legislation makes clear the permit holder’s authority during an event. *This is based on existing law and previous precedent within consensus legislation over the last few years.*
- Adds the authority to sell for off-premise consumption back into the Class 8 Farm Brewery. *This is based off of language which was inadvertently stricken in an amendment to the 2019 Brewery Modernization Act.*
- Makes consistent the consensus self-distribution caps from 2019’s Brewery Modernization Act in §2-212 – Additional Licenses. *This is based off of last year’s agreement since it appears this section was merely an oversight.*

WHY SUPPORT SB 839?

- Last year’s Brewery Modernization Act provided transformational change for Maryland’s craft beer industry when it came to on-premise limits (Class 5 and Class 7), production limits (Class 7), self-distribution limits (Class 5, 7 and 8) and hours of operation (Class 8). *The industry must continue to move forward by updating and streamlining Maryland’s alcohol laws.*
- Consolidation and Standardization of the “Manufacturer Off-Site Permit” ensures fair application for all Maryland alcohol manufacturers to the benefit of the Maryland economy. All breweries in the state – regardless of production capacity – should have equal opportunity to market their brand and participate in off-premise community-oriented events.
- Streamlining the Brewery Special Event will help ensure a clear interpretation for permit applicants, the permit issuer and localities seeking clarification from the permit holder.
- SB839 ensures that all necessary provisions in Maryland’s alcoholic beverages article reflect the intent behind last year’s Brewery Modernization Act.

BREWERS ASSOCIATION OF MARYLAND

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