

Montgomery County Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

HB 239 DATE: February 21, 2022 SPONSOR: Montgomery County Delegation ASSIGNED TO: Economic Matters CONTACT PERSON: Amy Samman (amy.samman@montgomerycountymd.gov) POSITION: Support

Montgomery County – Alcoholic Beverages – Class D Beer and Wine License – Farm Breweries and Limited Wineries MC 21-22

House Bill 239 authorizes the Board of License Commissioners to issue a Class D beer and wine license to the holder of a Class 8 farm brewery or a Class 4 limited winery to sell: (1) products that the holder manufactures for on-and-off premises consumption; (2) products manufactured by the holder of another Class 8 farm brewery license; or (3) products manufactured by the holder of another Class 4 limited winery license. A Class D beer and wine licenses authorizes the license holder to sell beer and wine at retail, for on- and off-premises consumption.

Under current law, Class 8 farm brewery license holders can sell beer produced by the license holder for on-premises consumption and it must be manufactured with an ingredient from a Maryland agricultural product, including hops, grain, and fruit, produced on the licensed farm. Class 8 farm brewery license holders are prohibited from brewing more than 15,000 barrels of beer each calendar year. The Class 8 farm brewery license is a manufacturing license issued by the State.

Under current law, a Class 4 limited winery license holder is authorized to ferment and bottle wine and distill and bottle pomace brandy from available Maryland agricultural products. These license holders can sell wine and pomace brandy for on- and off-premises consumption. Class 4 limited winery license holders must own or have under contract at least 20 acres of grapes or other fruit in cultivation in the State used to produce wine or ensure that at least 51% of the ingredients used in the annual production of the license holder's wine are grapes or other fruit grown in the State. The Class 4 limited winery license is a manufacturing license issued by the State.

This bill could provide the County's farm breweries and wineries with the opportunity to sell other locally produced beer and wine expanding the variety of local products offered to consumers.

Montgomery County supports House Bill 239 and respectfully requests a favorable Committee report.