



MARYLAND ASSOCIATION OF ALCOHOL MANUFACTURERS

SB292

POSITION: OPPOSE

Maryland's alcohol manufacturers consist of over 200 local breweries, distilleries and wineries, existing in every corner of Maryland. **We write today in opposition to HB307/SB292.**

While the intent of the bill is laudable, the bill will have a significant financial impact on a large portion of our member manufacturing businesses – members that are already leaders in sustainable business practices. In fact, most of our members have a focus on value-add agriculture and work hard to source product (or grow their own product) locally. Whether it's utilizing spent grain as feed for livestock, adopting compostable containers, limiting the use of pesticides on crops, each of our alcohol manufacturing associations strive to be better stewards of our environment.

However, COVID-19 has harmed our members in ways nobody could have anticipated with forced closures, reduced on-premise capacity, increased operational costs (due to the need for additional cleanings, sanitation, air filters) and increased capital costs (due to the need for these businesses to shift their business models and focus more on off-premise sales channels). Therefore, any legislation that imposes new (and potentially significant) fees to industry already facing an uncertain economic outlook is problematic – to say the least. **To that direct point, we do propose a carve out that we believe is measured (and still captures the macro producers in the industry).**

Lastly, the reason all three associations cannot take a “favorable with amendments” position at this current time is because we do not yet know of the unintended consequences the implementation of this bill would have for our limited vendors, our supply chain challenges (well documented for the industry) and the general difficulty reducing packaging for our products.

For those reasons, we respectfully oppose HB307/SB292.

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