SB497.pdf Uploaded by: Daniel Granzow Position: FAV

STEPHEN S. HERSHEY, JR. Legislative District 36 Caroline, Cecil, Kent, and Queen Anne's Counties

MINORITY LEADER

Finance Committee Executive Nominations Committee

Rules Committee

Joint Committee on Legislative Ethics

Legislative Policy Committee



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

February 24, 2023

The Honorable Brian J. Feldman Education, Energy, and the Environment Committee

Dear Mr. Chairman and Members of the Committee,

Senate Bill 497 designates Maryland Rye Whiskey as the State spirit. Maryland is finally rekindling its long history of rye production, with 15 distillers in the state using local rye grain to produce rye whiskey. Much like Kentucky is known for its Bourbon, Maryland is known as the producer of rye whiskey throughout the world. Major investments in rye farming and rye production have created a "rye whiskey trail", and the designation of Rye as the Spirit of Maryland would help us generate an economic impact to match the \$8.9 billion brought in by the Kentucky Bourbon trail annually.

I request a favorable vote on Senate Bill 497.

SB497_LThompsonMGPA_favorable.pdf Uploaded by: Lindsay Thompson

Position: FAV



Date: March 3, 2023

<u>SB 497 - State Designations – State Spirit – Maryland Rye</u>

Committee: Education, Energy and Environment

MGPA Position: SUPPORT

The Maryland Grain Producers Association serves as the voice of grain farmers growing corn, wheat, barley and sorghum across the state. On an annual basis, nearly a million acres of these crops are grown in Maryland.

Senate Bill 497 designates rye as Maryland's state spirit. More than 50 farmers in Maryland grow rye for harvest across the state. Many of these farmers sell the rye directly to Maryland distillers for the creation of Maryland Rye Whiskey. This is a great value added, local use of this crop.

There are many benefits to growing rye in Maryland including environmental benefits. Rye is planted in the fall and grows over the winter taking up any nutrients left in the soil from the previous crop and thereby protecting our waterways from excess nutrients. According to the Chesapeake Bay Program, planting rye in the fall can reduce nitrogen loss by 45% compared to an acre without a cover crop. Rye also serves as a cover to stabilize the soil over the winter to prevent erosion.

Designating Rye as Maryland's state spirit will draw attention to this unique opportunity for Maryland farmers to grow rye and benefit the environment and local economy.

MGPA is very supportive of Senate Bill 497 and respectfully asks for a favorable report.

One Pager HB 178 & SB 497.pdf Uploaded by: Matthew Bohle

Position: FAV







HB 178 & SB 497 **STATE DESIGNATIONS** STATE SPIRIT - MARYLAND RYE

POSITION: SUPPORT

BILL SUMMARY:

This legislation would designate Maryland Rye or Maryland Rye Whiskey as the State Spirit.

RATIONALE FOR PASSING THIS LEGISLATION:

- I. Maryland has had a long history and tradition of distilling various forms of whiskey since before the American Revolution;
- II. Maryland Rye Whiskey is a distinct and notable spirit unique from other distilled whiskey;
- III. Maryland Rye Whiskey demanded national respect as one of the best 22 whiskeys in the United States in the 19th and early 20th centuries;
- IV. Rye is a plentiful, locally grown crop affording an opportunity to highlight local agriculture and support local spirits production;
- V. The Maryland distillery industry, once a robust and significant producer of spirits, is again growing and contributing to the economy and prominence of the State;
- VI. Numerous Maryland distilleries are producing rye whiskey, often selecting locally grown, and sometimes malted, rye as the main rye ingredient;
- VII. Local farmers and malting operations will benefit from an increased opportunity to provide rye and malted rye directly to this manufacturing sector;
- VIII. Maryland Rye will attract tourists from the state, the region, the country and the world, much like the bourbon industry has impacted Kentucky.

NOTABLE INDUSTRY STATISTICS:

According to the Value-Added Agriculture in Maryland Economic Analysis (2020), the members that make up the Maryland Alcohol Manufacturers:

- Represent over 275 breweries, distilleries and wineries.
- Have an annual economic impact of \$3.4 billion and generate \$52 million/year in tax revenue.
- Support over 8,500 jobs in the manufacturing, agriculture, tourism and hospitality industries.

SB497 - RMC Support Testimony - State Designations Uploaded by: Megan D'Arcy

Position: FAV



Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of Senate Bill 497 – State Designations – State Spirit – Maryland Rye Education, Energy, and the Environment Committee Friday, March 3, 2023

The Rural Maryland Council supports Senate Bill 497 – State Designations – State Spirit – Maryland Rye. This bill will designate Maryland Rye or Maryland Rye Whiskey as the State spirit.

Maryland was once renowned for its rye whiskey production surpassing all states except Kentucky and Pennsylvania. In 1911, Maryland produced 5.6 million gallons of distilled spirits – most of it rye. Unfortunately, those distilleries disappeared after World War II when American whiskey production consolidated in Kentucky. By establishing a State Spirit, like the establishment of Smith Island Cake as the State Dessert, the State could incentivize rye production, resulting in more value-added agriculture production and an increase of customers to Maryland's distilleries.

Maryland has a growing craft beverage market that contributes greatly to the State economy. According Grow & Fortify's *Value Added Agriculture in Maryland* report, Maryland's craft distilleries had a value-added impact of over \$179 million, supported almost 1,000 jobs, and added more than \$13 million in state and local tax revenues. The addition of a state rye would give an opportunity to these distilleries to produce and sell this spirit, encouraging customers from in and out of the State to try Maryland's State rye. The Maryland Rye could also encourage the purchase of more locally grown products. Maryland farmers could grow and sell the barley and corn used to produce the rye.

The Council supports and encourages value added agriculture and the benefits it brings to both farmers and the State economy. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 497.

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.