Alcohol Manufacturers Chart - Priviliges in Extens

Uploaded by: Brad Rifkin

Position: FAV

Pre-Covid	Direct Shipment (common carrier)	Delivery (using employees)	To-Go Limits
Wineries	Yes (since 2011)	No	No-Limit (since 2010)
Breweries	No	No	288 ounces (per visit)
Distilleries	No	No	3 bottles (per visit)

Post-Covid	Direct Shipment (common carrier)	Delivery (using employees)	To-Go Limits
Wineries	Yes	Yes	No Limit
Breweries	Yes	Yes	No Limit
Distilleries	Yes	Yes	No Limit

For more information contact Brad Rifkin or Matt Bohle at 410.269.5066.

One Pager Alcohol Day HB 595 SB 448.pdf
Uploaded by: Brad Rifkin
Position: FAV

HB 595 & SB 448

ALCOHOLIC BEVERAGES

MANUFACTURER'S LICENSES & OFF-SITE PERMITS

POSITION: **SUPPORT** the two-year sunset extension for the privileges set forth in HB 550 & SB 476 in 2022.

BILL SUMMARY:

This legislation proposes a two-year sunset extension to permit Maryland manufacturers (breweries, distilleries and wineries) to continue the following:

I. Direct ship (using a common carrier) the products they produce to Marylanders;
II. Deliver (using employees) the products they produce to Marylanders;
III. Sell their products to Marylanders off-premise without a restrictive volume cap.

RATIONALE FOR PASSING EXTENSION:

I. Supports manufacturers that invested in infrastructure to utilize these privileges;
II. Sustains the lines of revenue generated from sales related to these privileges;
III. Offsets losses related to the pandemic;
IV. Recognizes consumer demand (constituent demand) in the modern era; and
V. Codifies equitable treatment amongst the entire manufacturing tier.
- Note: Prior to Covid, Maryland wineries had the right to direct ship dating back to 2011 and wineries also had no-limit to off-premise sales.

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.

SB448 - RMC Support Testimony - Alcoholic Beverage

Uploaded by: Megan D'Arcy

Position: FAV

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Rural Maryland Council

***Susan O'Neill**, Chair*

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 448 – Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits
Finance Committee
Friday, February 24, 2023

The Rural Maryland Council supports Senate Bill 448 – Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits. This bill will extend provisions of the Executive Order privileges put in place during the pandemic for the State's wineries, breweries, and distillers to distribute their product. This bill will allow the holder of a manufacturer's license to deliver their product to an individual located in the State and directly ship their product to a consumer upon request. This bill extends the termination dates for provisions of Chapters 359 and 360 of 2021 and Chapters 477 and 478 of 2022 related to the sale and delivery of alcoholic beverages by certain alcoholic beverages manufacturers from June 30, 2023, to June 30, 2025. The bill also delays the date, from July 1, 2023, to July 1, 2025, that specified license holders are authorized to sell up to 288 ounces of beer to a person at an off-site permitted event. The bill takes effect July 1, 2023.

Maryland's distilleries, wineries, and breweries promote economic development, value-added agriculture, and manufacturing as they not only produce beverages but create destinations that attract tourists. According to data from the Value-Added Agriculture in Maryland by Grow & Fortify and the Business Economic and Community Outreach Network (BEACON) at Salisbury University, the combined value-added impact of these three industries was over $1 billion in 2018, supporting more than 9,500 jobs, and adding an estimated $52 million to state and local tax revenue. The pandemic greatly impacted this industry with close to 500 layoffs. The authorization for direct-to-consumer delivery and shipment services has created a new lifeline for sales and kept many doors open during these unprecedented times.

The Rural Maryland Council supports the value-added agriculture industry as it enables farms to transition into diversified production. SB448 further enhances this type of agriculture by providing delivery and shipping options for the State's value-added craft beverages. The Council requests your favorable support of Senate Bill 448 - Alcoholic Beverages - Manufacturer's Licenses and Off-Site Permits.

DG_Final Written Testimony_SB448.pdf
Uploaded by: Senator Gile
Position: FAV

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Finance Committee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB448
Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits

Madame Chair, Vice Chair Klausmeier, and Fellow Members of the Senate Finance Committee:

In response to the COVID-19 pandemic, the Maryland General Assembly provided flexibilities to Maryland alcohol manufacturers that allowed them to deliver and directly ship the products they produce to Marylanders as well as sell their products to Marylanders off the manufacturers' premise without a restrictive volume cap. These flexibilities are set to expire on June 30, 2023—SB 448 would provide a two-year sunset extension to them.

Extending the flexibilities is the right thing to do for Maryland breweries, distilleries, and wineries, and it's the smart thing to do for Maryland's economy. To adapt to the pandemic, manufacturers made investments in infrastructure to utilize these privileges; extending the current arrangement would allow manufacturers to recoup these investments and to generally offset losses related to the pandemic. An extension would also continue state tax revenue generated from the contemporary consumer demand related to the privileges. This bill is also about fairness as it codifies equitable treatment amongst the entire manufacturing tier. Before the pandemic, wineries could directly ship to consumers, but breweries and distilleries could not (and a limit was in place on the amount of to-go purchases for the latter manufacturers). Appendix I shows this pre-pandemic disparity and how it is resolved post-pandemic.

Failing to pass SB 448 could be a big hit to Maryland's economy. According to the Value-Added Agriculture in Maryland Economic Analysis (2020), the 275 breweries, distilleries and wineries that make up the Maryland Alcohol Manufacturers have annual economic impact of $3.4 billion and generate $52 million/year in tax revenue, supporting over 8,500 jobs in the manufacturing, agriculture, tourism and hospitality industries. Let us not slam on the breaks on this economic engine in the state.

I understand that the General Assembly should not be in the business of extending state policy on an annual or biennial basis. I am confident that during the next two years all stakeholders in this space will convene and come to an agreement on how to best proceed in the long term. This bill provides the stakeholders time to do just that and provides our committee the flexibility to spend much needed bandwidth on the many other pertinent issues we have before us this session.

For these reasons, I respectfully request a favorable report on Senate Bill 448.

Appendix I

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