

2024 PRIORITY BILL

SB 1041 & HB1217

SUPPORT

Alcoholic Beverages - Breweries, Wineries, and Distilleries - Direct Delivery and Direct Shipment

Permanent Removal of Off-Premises Sales Caps

The bill proposes to permanently remove restrictive off-premises sales caps for certain breweries and distilleries.

Without legislation this session, the current law will sunset and revert to pre-existing sales caps on these manufacturers whereby breweries are limited to 288 ounces, and distilleries to 2.25 liters, per off-premises transaction.

Authorization of Direct-to-Consumer Delivery (Employees Only)

The bill proposes to permanently authorize statewide direct-to-consumer (DTC) delivery of products manufactured by a distillery, brewery or winery. The authorization is limited to delivery by way of an employee only.

A distillery, brewery or winery would not be permitted to use 3rd party services like DoorDash, UberEats, etc. Without legislation this session, the current law which permits DTC delivery will sunset.

Authorization of Direct-to-Consumer Shipping (Common Carriers)

The bill proposes to permanently authorize statewide direct-to-consumer shipping of products manufactured by a distillery or brewery. The authorization is limited to direct shipping using a common carrier like FedEx, UPS, etc.

Notably, the Maryland legislature granted direct shipping for in-state and out-of-state wineries back in 2011. Granting direct shipping rights to distilleries and breweries provides parity to the industry. Without legislation this session, the current law which permits DTC shipping using common carriers will sunset for distilleries and breweries. The law for wineries dating back to 2011 remains unchanged.



PRIORITY BILL (CONT'D)

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 33,500 jobs in the manufacturing, agriculture, tourism and hospitality industries