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Finance Committee

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Senate Delegation



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THE SENATE OF MARYLAND
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Testimony in Support of SB1041 - Alcoholic Beverages - Breweries, Wineries, and Distilleries - Direct Delivery and Direct Shipment

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

SB1041 will make permanent privileges that have allowed our breweries, wineries, and distilleries to ship their product using a common carrier, deliver their product using an employee and sell their product to go without outdated restrictions.

Our local wineries, breweries and distilleries are an important part of our economy and staples in our communities.

This legislation reflects where the industry is in 2024. As you know, our three-tier system has changed drastically since the end of Prohibition and continues to evolve. As times change, consumer expectations change and we want to make sure Maryland's breweries, wineries, and distilleries are businesses that can be passed down from generation to generation, no different than the businesses within the retail and wholesale tiers that will testify in opposition today.

Joining me to present this bill are members from the distilleries, breweries, and wineries who will speak to specific provisions in this legislation that impact their businesses. In some cases, you will hear about the importance of statewide delivery using their employees, for some direct shipment using a common carrier, and for everyone the right to sell without restrict limitations when a customer wants to purchase their products to-go.

You may hear concerns expressed by the opposition pertaining to the constitutionality of direct shipping. Those concerns should be viewed through the current law which is set to sunset in July of this year. To address those very concerns, I worked closely with the ATCC over the interim to come up with a framework for this bill that we all believe passes constitutional muster based on best practices and recent case law.

Per the Fiscal Note, SB1041 would marginally increase state revenues from the issuance of new permits. For these reasons, I respectfully request a favorable report on SB1041.