

**SB 1001 LETTER OF SUPPORT .docx.pdf**

Uploaded by: Rachel Jones

Position: FAV



# Maryland Department of Agriculture

Office of the Secretary

Wes Moore, Governor

Aruna Miller, Lt. Governor

Kevin M. Atticks, Acting Secretary

Steven A. Connelly, Deputy Secretary

Agriculture | Maryland's Leading  
Industry

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## Maryland Department of Agriculture

### Legislative Comment

**Date: February 19, 2024**

**BILL NUMBER:** HB 1083/SB 1001

**SHORT TITLE:** Alcoholic Beverages – Class 4 Limited Winery License – Requirements and Authorizations

**MDA POSITION:** SUPPORT

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HB1083 seeks to allow the holder of a Class 4 Limited Winery License to do three things: (1) Own or have under contract at least 20 acres of “Maryland Agricultural Products” instead of “grapes or other fruit “grown in the State; or (2) Allow the licensee to use up to 51% ingredients used for the production of wine to come from “Maryland Grown Agricultural Products;” and (3) Allow a license holder to purchase finished wine made entirely of “Maryland Agricultural Products” and sell that wine as his or her own.

HB1083 would broaden the ability of Class 4 Limited Winery license holders to grow, produce, and/or purchase “Maryland Agricultural Products” to use for winemaking, instead of relying on just “grapes and fruit” grown in the State. In addition, this bill would allow a Class 4 Limited Winery license holder to purchase finished wine from another Maryland manufacturer if the wine or pomace brandy is made from “Maryland Agricultural Products.”

The MDA supports the expansion of the license holder’s ability to grow products beyond grapes and fruit. This would include products like honey, dandelions, onions, and other non-grain products. Allowing for the production and sale of honey wine, etc. The bill would more deeply root on-farm alcohol producers in Maryland Agriculture and boost the economic viability of the industry.

The MDA in conjunction with the Maryland Alcohol, Tobacco, and Cannabis Commission (ATCC) are in agreement with clarifying the bill language to be consistent in the use of “Maryland Grown Agricultural Products” as opposed to “Maryland Agricultural Products.” Additionally, The MDA concurs with the Maryland ATCC on the proposed amendment to require the MDA to establish a definition for the term “Maryland Grown Agricultural Product”.

The definition would exclude the use of cannabis or any other product containing tetrahydrocannabinol, as defined by the ABCA, to manufacture or produce wine.

The Maryland Department of Agriculture supports this legislation and respectfully requests the Committee's consideration of a favorable report.

If you have additional questions, please contact Rachel Jones, Director of Government Relations at [Rachel.Jones2@maryland.gov](mailto:Rachel.Jones2@maryland.gov) or (410) 841-5886.

# **SB1001 - Class 4 Limited Winery License - Requirem**

Uploaded by: Alcohol, Tobacco, and Cannabis Administration Thomas Akras

Position: FWA



# ATCC

Alcohol, Tobacco, and Cannabis Commission

Wes Moore  
Governor

Aruna K. Miller  
Lt. Governor

Jeffrey A. Kelly  
Executive Director

February 23, 2024

**BILL: SB1001 – Alcoholic Beverages - Class 4 Limited Winery License - Requirements and Authorizations**  
**COMMITTEE: Finance Committee**  
**POSITION: Letter of Information**

Hon. Pamela Beidle, Chair and Members of the Finance Committee:

I write on behalf of the Alcohol, Tobacco, and Cannabis Commission (ATCC) to provide a Letter of Information on **SB1001 – Alcoholic Beverages - Class 4 Limited Winery License - Requirements and Authorizations**

SB1001 seeks to allow the holder of a Class 4 Limited Winery License to do three things: (1) Own or have under contract at least 20 acres of “Maryland Agricultural Products” instead of “grapes or other fruit “grown in the State; or (2) Allow the licensee to use up to 51% ingredients used for the production of wine to come from “Maryland-Grown Agricultural Products;” and (3) Allow a license holder to purchase finished wine made entirely of “Maryland Agricultural Products” and sell that wine as his or her own.

SB1001 would broaden the ability of Class 4 Limited Winery license holders to grow, produce, and/or purchase “Maryland Agricultural Products” to use for winemaking, instead of relying on just “grapes and fruit” grown in the State. In addition, this bill would allow a Class 4 Limited Winery license holder to purchase finished wine from another Maryland manufacturer if the wine or pomace brandy is made from “Maryland Agricultural Products.”

First, the ATCC would like to see one term used concerning the type of product being substituted for “grapes or other fruits” This bill currently uses “Maryland Agricultural Product” and “Maryland-Grown Agricultural Product.” After discussing this matter with representative, who is working with the sponsor of SB1001, from the Maryland Wineries Association (MWA) and Maryland Department of Agriculture, it is the understanding of the ATCC that an amendment is to be issued that settles on the term “Maryland-Grown Agricultural Product.” The ATCC appreciates such a clarification.

As to the definition of a “Maryland-Grown Agricultural Product,” the ATCC thinks it most appropriate if there were language placed in the bill that required the Maryland Department of Agriculture (MDA) to establish a definition for the term. As the MDA’s mission is “to protect consumers, preserve the environment, and promote Maryland agriculture,” that agency is most appropriately suited to define the term. Specifically, the ATCC wants to ensure that the term “Maryland-Grown Agricultural Product” does

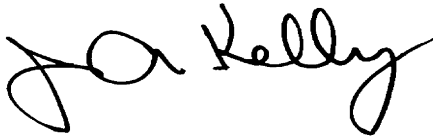
not contemplate the ability to use cannabis or any other product containing tetrahydrocannabinol, as defined by the ABCA, to manufacture or produce wine.

Second, the ATCC would also like clarification concerning the ability of a Class 4 Limited Winery license holder to purchase fully finished product (wine is manufactured and bottled) from another Maryland Manufacturer. The ATCC's understands the Maryland Wine Association's desire for more flexibility related to the amount of wine that Class 4 Limited Wineries can produce and sell but wishes to ensure the manufacturing licensees continue to directly manufacture alcoholic beverages. We have been informed that the MWA is going to be introducing language that clarifies their position on this matter. The ATCC looks forward to seeing such an amendment.

To that end, the ATCC submits a Letter of Information on **SB1001 – Alcoholic Beverages - Class 4 Limited Winery License - Requirements and Authorizations** to highlight its concerns with this piece of legislation as currently drafted.

I look forward to answering any questions or concerns that you have regarding this matter.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey A. Kelly". The signature is written in a cursive, flowing style.

Jeffrey A. Kelly  
Executive Director

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Uploaded by: Pamela Beidle

Position: FWA



SB1001/273829/1

AMENDMENTS  
PREPARED  
BY THE  
DEPT. OF LEGISLATIVE  
SERVICES

19 FEB 24  
10:46:07

BY: Senator Beidle  
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 1001  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “on” insert “certain”; and strike beginning with “repealing” in line 7 down through “circumstances;” in line 8.

AMENDMENT NO. 2

On page 1, in line 19, after “(a)” insert “(1) IN THIS SECTION, “MARYLAND-GROWN AGRICULTURAL PRODUCT” MEANS ANY PRODUCT PRODUCED OR CULTIVATED ON A FARM OR VINEYARD IN THE STATE.”

(2) “MARYLAND-GROWN AGRICULTURAL PRODUCT” DOES NOT INCLUDE:

(I) CANNABIS; OR

(II) ANY OTHER PRODUCT CONTAINING TETRAHYDROCANNABINOL AS DEFINED IN § 36-1102 OF THIS ARTICLE.

(B)”;

and in line 20, strike “(b)” and substitute “(C)”.

On page 2, in line 11, strike “MARYLAND” and substitute “MARYLAND-GROWN”.



On page 4, in lines 8, 10, 30, and 31, strike “(c)”, “(d)”, “(e)”, and “(f)”, respectively, and substitute “**(D)**”, “**(E)**”, “**(F)**”, and “**(G)**”, respectively; in line 17, strike the brackets; in the same line, strike “**FINISHED**”; in the same line, strike “**MARYLAND**” and substitute “**MARYLAND-GROWN**”; in line 18, strike the opening bracket; in line 20, strike “25%” and substitute “**75%**”; and in the same line, strike the closing bracket.

On page 5, in lines 5 and 9, strike “(g)” and “(h)”, respectively, and substitute “**(H)**” and “**(I)**”, respectively.

# **SB1001 Winery Testimony.pdf**

Uploaded by: Pamela Beidle

Position: FWA

**PAMELA G. BEIDLE**  
*Legislative District 32*  
Anne Arundel County

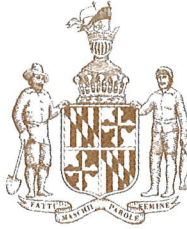
Chair, Finance Committee

Executive Nominations Committee

Joint Committee on Gaming Oversight

Joint Committee on Management  
of Public Funds

Spending Affordability Committee



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**THE SENATE OF MARYLAND**  
**ANNAPOLIS, MARYLAND 21401**

February 23, 2024

**SB 1001**  
**Alcoholic Beverages – Class 4 Limited Winery License**  
**Requirements and Authorizations**

Good afternoon, Vice Chair Klausmeier and Members of the Finance Committee;

Thank you for the opportunity to present SB 1001, Alcoholic Beverages – Class 4 Limited Winery License – Requirements and Authorizations.

This legislation consists of simple technical changes that will enable our wineries to be more innovative, flexible and have an ability to utilize the best grapes, bulk wine and other Maryland agricultural products to make their wine.

SB 1001 makes two simple technical changes:

- This legislation broadens what Maryland grown agricultural products can count toward Maryland wineries ingredient requirement. For example, Maryland made honey could now be turned into honey wine and count as part of their Maryland production.
- This legislation as amended raises the percentage of bulk wine that Maryland wineries can sell or buy from other Maryland wineries to 75% from 25%. This change enables Maryland wineries or vineyards that have a really good crop to sell more to other Maryland wineries. Similarly, it enables Maryland wineries who may experience a poor crop, from flooding, or spotted lantern flies or other threats to buy more Maryland bulk wine to comply with their Maryland made requirements.

Last, as amended, this legislation clarifies that cannabis and “thc” cannot be utilized as a Maryland grown agricultural product.

I respectfully ask for a “Favorable Report” on SB 1001.