



March 11, 2025

Honorable Pamela G. Beidle
Chair, Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

Re: TESTIMONY IN SUPPORT OF SB 1039 – Alcoholic Beverages – Class 5 Breweries On-Premises Consumption

Dear Chair Beidle and Members of the Finance Committee:

Diageo North America strongly supports SB 1039. We are a leading premium drinks business and one of the best-performing consumer packaged goods companies across the United States and Canada. Our 200 plus brands are enjoyed across our market and include some of the world's oldest and best loved brands, such as Johnnie Walker, Ketel One, Captain Morgan, Crown Royal, Bulleit, Don Julio, and Guinness.

Diageo owns and operates [Guinness Open Gate Brewery](#) in Baltimore County, where we brew multiple varieties of Guinness, including Baltimore Blonde for on-site consumption. Diageo has invested over \$90 million dollars in Baltimore County since opening in 2018, and we've welcomed over 1.7 million visitors. We've contributed over \$2 million to our local community partners including the Maryland Food Bank, Oyster Recovery Partnership, and Job Opportunities Task Force to name a few.

SB 1039 increases the allowable maximum amount of beer brewed at location other than the Class 5 Brewery that may be sold in the taproom for on-premises consumption, provided that the Class 5 licensee is either the brand owner of the imported beer or an affiliate of the brand owner of the imported beer. The current cap on imported beer sales based on taproom sales is 25% of total taproom sales, which was established eight years ago in 2017. This bill provides for a modest increase in this cap, from 25% to 35%. The bill would not change the existing requirement that the imported beer be purchased from a licensed wholesaler.

Guinness Open Gate Brewery holds a Class 5 brewery license. In the past few years, we have had an increase in customers visiting our brewery who enjoy our Guinness specialty beer brewed on-site, and our world-famous Guinness only brewed in Ireland. Additionally, the increased popularity of Guinness over the past year contributes to the need for an increase in the imported Guinness we can sell at our taproom in Baltimore.

In conclusion, SB 1039 represents a modest but important update to Maryland's Class 5 brewery statute. Diageo respectfully urges you to support SB 1039.

Thank you for your consideration.