Carrington 2025 SB542 Alcohol Study Bill.pdf Uploaded by: Darrell Carrington

Position: FAV



Position Statement in Support of Senate Bill 542 Study on Minority Participation in the Alcoholic Beverages Industry Submitted by Carrington & Associates, LLC

Carrington & Associates, LLC strongly supports Senate Bill 542, which calls for a comprehensive study to examine the structure and composition of the distribution and retail sectors of Maryland's alcoholic beverages industry. This legislation is a crucial step toward identifying and eliminating systemic barriers that hinder minority participation in this sector.

Historically, minority-owned businesses have faced significant challenges in accessing opportunities within regulated industries, including alcoholic beverage distribution and retail. By commissioning an independent third-party study, SB542 will provide a data-driven analysis of existing disparities and offer recommendations to ensure equitable access to economic opportunities for small, minority, and women-owned businesses.

A more inclusive industry benefits not only minority entrepreneurs but also Maryland's economy as a whole. Ensuring fair representation in the alcoholic beverages sector fosters competition, innovation, and local economic growth. The findings and recommendations from this study will be instrumental in shaping policies that create a level playing field for all businesses, regardless of size or ownership background.

Carrington & Associates, LLC urges the Maryland General Assembly to pass SB542 and demonstrate a firm commitment to equity and economic inclusion. We stand ready to support this initiative and collaborate with policymakers, industry stakeholders, and community leaders to ensure meaningful and lasting change.

Respectfully submitted, Carrington & Associates, LLC

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2025 MBWA SB 542 Alcoholic Beverages Industry - St Uploaded by: NICK MANIS

Position: FWA



February 18, 2025

The Honorable Pamela Beidle, Chairwoman Senate Finance Committee Room 3 E. Miller Senate Building Annapolis, Maryland 21401

Dear Madame Chair and Members of the Committee:

Re: FWA - SB 542 - Alcoholic Beverages Industry - Study

Dear Chairwoman Beidle Committee Members:

Senate Bill 542 requires the Governor's Office of Small, Minority, and Women Business Affairs (GOSBA) to contract with an independent consultant to complete a study of the structure and composition of the distribution and retail sector of the alcoholic beverages industry in the State and make recommendations on identifying and eliminating barriers to minority participation in that industry.

The Maryland Beer Wholesalers Association (MBWA) supports the study. MBWA participated in a similar study requested by the legislature in 2022, but we do have some concerns with the collection of certain data required under **Senate Bill 542** which we have discussed with Senator Charles.

Specifically, wholesalers do not know the demographics of the brand owners of the many products they distribute, so it would be unlikely a wholesaler could satisfy such a request (p.3 lines 5-6). The bill also requires disclosure of a wholesaler's percentage of revenue for each brand owner account service. It's unclear what policy goals this provision is intended to satisfy, who would provide this information, and how disclosure of this information would impact the current marketplace (p. 3 lines 7-8).

MBWA supports the goals of **Senate Bill 542** and looks forward to participating in the proposed study subject to the above concerns.

Sincerely,

Nicholas G. Manis Executive Director

CC: John Favazza

SB0542_FWA_MSLBA_Alcoholic Bev. Industry - Study.p

Uploaded by: Steve Wise Position: FWA



150 E Main Street, Suite 104, Westminster, MD 21157

Senate Finance Committee February 21, 2025 Senate Bill 542 – *Alcoholic Beverages Industry* – *Study* **POSITION: SUPPORT WITH AMENDMENT**

The Maryland State Licensed Beverage Association (MSLBA), which consists of approximately 850 Maryland businesses holding alcoholic beverage licenses (restaurants, bars, taverns and package stores), supports with amendment Senate Bill 542.

Senate Bill 542 mandates a study on minority participation in the alcoholic beverages industry be conducted using a consultant to be retained by the Governor's Office of Small, Minority, and Women Business Affairs.

MSLBA supports the study and acknowledges that there is a lack of participation among blackowned businesses in the retail segment of the alcohol industry. There is a tremendous amount of ownership and participation among other minority groups in the retail sector, but it is lacking in this regard. Information gathered through the study may yield information helping to explain this.

Our only issue with Senate Bill 542 is the collection of certain data specified in the bill, and we have spoken with Senator Charles in this regard. We are unclear on whom the information identified on p. 1, starting at line 20 and continuing through p. 2 at line 8, is to be gathered from. Retailers do not know the demographics of the brand owners of many of the products they carry, so it would be difficult if not impossible for them to provide it if requested.

Similarly, on p.3 at line 3, the list of brands sold in the State by each retailer would require significant time from retailers, only to produce information which should be already available from the Alcohol, Tobacco, and Cannabis Commission which tracks all products distributed here. And finally, at line 9, we are unclear what the percentage of retailer revenues for each brand owner is aimed at, and whether that information is to be gathered from retailers or others.

Again, MSLBA supports the intent of the legislation and the goal of greater minority participation but does not believe that all the data specified is needed or is possible to be garnered from retailers.

For more information call:

J. Steven Wise Danna L. Kauffman Andrew G. Vetter 410-244-7000