

# **Sen Sydnor fav testimony on SB1039.pdf**

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Position: FAV

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DEPUTY MAJORITY WHIP

Judicial Proceedings Committee  
Executive Nominations Committee

*Joint Committees*

Administrative, Executive, and  
Legislative Review

Children, Youth, and Families

Senate Chair, Legislative Ethics



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Testimony for SB 1039**  
**Alcoholic Beverages – Class 5 Breweries – On-Premises Consumption**  
**Before: Finance Committee**  
**March 11, 2025**

Good afternoon Madame Chair Beidle, members of the Finance Committee,

Senate Bill 1039 would increase the cap on how much of a Class 5 brewery's taproom sales can be from beer that wasn't produced onsite by the Class 5 brewery. Currently, the law allows 25% of taproom sales to come from imported beer. SB 1039 would increase the percentage to 35%. The bill would not change any of the other limitations in the law that the Class 5 brewery needs to comply with in order to sell imported beer in its taproom – including that the brand owner of the beer has to be an affiliate of the Class 5 brewery, and that the imported beer has to be purchased by the Class 5 brewery from a licensed wholesaler in the State. The bill would also not change the overall cap in the amount of beer that can be sold in the taproom.

I introduced this bill for Open Gate Brewery, a Class 5 brewery located in my district. Since opening seven years ago, Open Gate Brewery has become one of Baltimore County's largest tourist attractions and has been a good community partner over these years. Open Gate Brewery is known for the unique craft beers it brews onsite that are offered in its taproom, but it also offers the iconic Guinness Stout in the taproom and other beers that are only brewed by Guinness in Dublin. Because these beers are not brewed onsite, Open Gate Brewery imports them through a local Maryland distributor and their sale in the taproom is subject to the cap in the Class 5 statute. However, with the increasing popularity of Guinness in the market, it is becoming difficult for Open Gate Brewery to keep taproom sales of Guinness under the current limit.

The current cap of 25% was put in place eight years ago before Open Gate Brewery opened, and SB1039 simply asks for a modest update in the cap to 35% in order to align with customer preferences.

I urge the Finance Committee to give SB 1039 a favorable report.

# **MD SB1039 Import Beer Cap Sales Diageo\_.pdf**

Uploaded by: Marta Harting

Position: FAV



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.