

Department of Legislative Services  
Maryland General Assembly  
2017 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 464  
Economic Matters

(Delegate Branch, *et al.*)  
Education, Health, and Environmental Affairs

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Alcoholic Beverages - Beer, Wine, and Liquor Exhibition Permit

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This emergency bill alters an existing national family beer and wine exhibition permit to be a national beer, wine, and liquor exhibition permit that may be issued to a bona fide alcohol trade association.

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Fiscal Summary

**State Effect:** The bill is not anticipated to materially affect State operations or finances.

**Local Effect:** The bill does not directly affect local governmental operations or finances.

**Small Business Effect:** Minimal.

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Analysis

**Bill Summary/Current Law:** *Under current law*, the national family beer and wine exhibition permit may only be issued by the Comptroller to a bona fide national family wine association, beer association, or beer and wine association. The permit authorizes an exhibition and competition at which the permit holder may exhibit, judge, and taste beer and wine at the place designated in the permit application. *Under the bill*, the national family beer and wine exhibition permit is altered to be a national beer, wine, and liquor exhibition permit that may be issued to a bona fide national alcohol trade association. The bill's permit authorizes an exhibition and competition in the same manner as the family beer and wine permit.

*Under current law*, a permit holder may receive for use, exhibition, and tasting (1) tax-free family produced beer and wine; (2) tax-paid commercially produced beer and wine from

licensed nonresident dealers or manufacturers through holders of wholesaler's licenses; (3) tax-paid commercially produced wine from Class 4 wineries; and (4) commercially produced beer and wine from manufacturers or suppliers licensed in another State. *Under the bill*, commercially produced liquor is also permitted; however, wines from Class 4 wineries are no longer permitted.

*Under current law*, the permit may be granted for an unlicensed premises or a Class B, Class C, or Class BD-7 licensed premises. *Under the bill*, the permit may be granted for any licensed or unlicensed premises.

*Under current law and under the bill*, (1) an exhibition may not last more than five days; (2) only specified persons may judge or participate at the alcohol exhibition; (3) a supplier licensed by another state is not required to have a nonresident dealer's permit to ship alcohol to the permit holder; (4) a specified report and applicable tax payment must be filed with the Comptroller within 30 days after the exhibition ends; and (5) the permit fee is \$50.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office; Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2017  
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