

Department of Legislative Services  
Maryland General Assembly  
2019 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 551  
Economic Matters

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

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**Alcoholic Beverages - Distilleries - Farmers' Markets and Other Events**

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This bill increases the number of farmers' markets and other events that a distillery or limited distillery may participate in using a distillery off-site permit. In addition to the events that may be participated in under current law, the bill specifies that the permit may be used to participate in (1) any number of farmers' markets that are listed on the farmers' market directory of the Maryland Department of Agriculture and (2) up to 32 other events (instead of 6) each year. **The bill takes effect June 1, 2019.**

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

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

**Small Business Effect:** Potential meaningful.

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**Analysis**

**Current Law:** Chapter 418 of 2016 authorized the Comptroller to grant a distillery off-site permit to a Class 1 distillery licensee or a Class 9 limited distillery licensee. The annual fee for the permit is \$250.

The permit may be used by a distillery to provide samples and sell its own liquor at (1) three specified agricultural fairs; (2) the North Beach Friday Night Farmers' Market and four other farmers' markets (for a total of five farmers' markets); (3) liquor festivals; and (4) up to six other events in a year in which the major purpose of the event is not the

sale and promotion of alcoholic beverages and for which the distillery's participation is a subordinate activity. A permit holder may only participate in one of the farmers' markets if it is listed on the Maryland Department of Agriculture's farmers' market directory.

**Background:** The Comptroller's Office advises that there are currently 14 distillery off-site permits issued in the State.

**Small Business Effect:** Small business distillery off-site permit holders may see increased sales and publicity from being able to provide samples and sell liquor at significantly more events each year.

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### **Additional Information**

**Prior Introductions:** SB 23 of 2018 passed the Senate and received a hearing in the House Economic Matters Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Comptroller's Office; Baltimore City; Harford County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 13, 2019  
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