

Department of Legislative Services  
Maryland General Assembly  
2018 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 23 (Senator Waugh)  
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. Specifically, the permit may be used to participate in (1) any State or county agricultural fair (instead of 3 specified fairs); (2) a total of 37 farmers' markets (instead of 5); and (3) 36 other events (instead of 6) each year. In addition, for farmers' markets, a permit holder may participate as long as the market meets the guidelines of the county in which it is located. **The bill takes effect June 1, 2018.**

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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;

(4) and 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 four 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:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office; Baltimore City; Kent, Montgomery, and Worcester counties; Department of Legislative Services

**Fiscal Note History:** First Reader - January 17, 2018  
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Analysis by: Richard L. Duncan

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510