Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE Preliminary

MC 07-22

(Montgomery County Delegation)

Montgomery County – Alcoholic Beverages – Class 7 Micro-Brewery License MC 07-22

This proposed bill authorizes the Alcohol and Tobacco Commission (ATC) to issue a Class 7 micro-brewery (on- and off-sale) license to the holder of a Class D beer, wine, and liquor (BWL) license in Montgomery County that is issued for the sale of beer, wine, and liquor for on-premises consumption, at the place described in the license. The proposed bill also makes technical corrections so that obsolete references to the previous authority of the Comptroller are updated to reference the authority of ATC. **The proposed bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: General fund revenues would increase by up to \$500 annually for each Class 7 micro-brewery license issued under the proposed bill. ATC would be able to monitor additional licenses using existing resources.

Local Effect: The proposed bill would not materially affect Montgomery County operations or finances.

Small Business Effect: Overall minimal, but potential meaningful for the holder of a Class D BWL alcoholic beverages license able to acquire a Class 7 micro-brewery license and realize additional sales under the potential bill.

Analysis

Current Law: A Class 7 micro-brewery license is issued by ATC, and the annual license fee may not exceed \$500. The license holder may collectively brew, bottle, or contract for

up to 45,000 barrels of beer each calendar year, and up to 5,000 of those barrels may be sold for on-premises consumption each year, as specified.

Class 7 micro-brewery (on- and off-sale) licenses in the county may be issued to the holder of (1) a Class B BWL (on-sale) license that is issued for use on the premises of a restaurant located in the county; (2) a Class D beer and wine license that is issued for the sale of beer and wine, at retail, at the place described in the license, for on- and off-sale premises consumption, as specified; (3) a Class H beer and wine license that is issued for the sale of beer and wine at a hotel or restaurant, at retail, at the place described in the license, for on-premises consumption; or (4) a Class BD-BWL license that is issued for the sale of beer and wine for on- and off-premises consumption, and liquor for on-premises consumption, at the place described in the license.

Additional Information

Prior Introductions: None.

Designated Cross File: Unavailable at this time.

Information Source(s): Montgomery County; Department of Legislative Services

Fiscal Note History:

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