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STUDY ON THE IMPACT OF THE FARMER'S MARKET PERMIT

PRESENTED TO:

Maryland General Assembly



PRESENTED BY:

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I. Introduction

During the 2010 session of The Maryland General Assembly Senate Bill 858, entitled “Maryland Winery Modernization Act”, was passed and then signed into law by the Governor. A wide variety of winery related topics were addressed and many obstacles to the wineries’ growth were removed. Relative to this report, a “Farmer’s Market Permit” was created.

This new permit may be issued by the Comptroller to the holder of a license, other than a Class 4 Limited Winery License, that allows the holder to sell alcoholic beverages to the public for consumption off the licensed premises; and that was issued by the local licensing board of the jurisdiction in which the farmer’s market will be held. In other words, this new permit may be issued to a local packaged goods retailer who is licensed by the same jurisdiction in which the farmer’s market is located.

Section 4 of Senate Bill 858 further requires that the Comptroller report to certain committees “on the impact that the limitation of special event permits specified in § 2-101(x) of Article 2B of the Code, as enacted by Section 1 of this Act, has had on the growth of the Maryland wine industry.”

Subsequently, the following information highlights the uses of the Farmer’s Market Permit and the impact it has had on the industry and on retailers in Maryland.

II. Farmer’s Market Permits

The Farmer’s Market Permit is essentially an extension of the “licensed premise” of an existing retail licensee. The permit may only be used at a farmer’s market that is listed in the directory published by the Maryland Department of Agriculture and

only during the actual hours of operation of the farmer's market. Bottles of wine may be sold for off-premise consumption only (although 1oz. samples are authorized) but they must be the product of a Maryland Class 4 Limited Winery.

Since the inception of the law, a total of three (3) retailers have obtained the permit as follows.

- In 2010, Delaney Plaza Liquors from Towson, Maryland obtained the permit and participated in the Towson Farmer's Market. There were no sales from this event.
- In 2011, Burtonsville Crossing Beer and Wine from Burtonsville, Maryland, participated in the Montgomery County Greencastle Farmer's Market. The sales from this event are undeterminable because this establishment is out of business.
- In 2012, the retail establishment, A Few of My Favorite Things from Cambridge, Maryland, participated in the Cambridge Farmer's Market. The sales figures are unascertainable at this time.

With only one (1) retailer per year obtaining the Farmer's Market Permit, the interest in such permits seems negligible.

III. Conclusion

Presumably, Farmer's Market Permit holders participate in Farmer's Markets to increase sales, while Maryland wineries would hope to promote their brands to consumers. With only three (3) retail license holders obtaining the Farmer's Market Permit as described under Md. Code Ann. Art. 2B § 2-101(x), the impact on the growth of the Maryland wine industry, is de minimis.