



Peter Franchot
Comptroller

TESTIMONY OF COMPTROLLER PETER FRANCHOT
House Bill 921 - Alcoholic Beverages – Statewide Bills (SUPPORT)
For Presentation to the Economic Matters Committee
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Good afternoon, Chairman Davis and Vice-Chairman Rudolph and members of the Committee. It is my pleasure to provide testimony in strong support of **House Bill 921 - Alcoholic Beverages – Statewide Bills**. I want to thank Delegate Love for her leadership and hard work on this issue and all of the various co-sponsors who are working to promote Maryland's vibrant and fast-growing wine industry.

Since assuming the position of Comptroller three years ago, I have been a strong advocate for the growth and sustainability of Maryland's wine industry. According to a recent economic impact study conducted by the University of Baltimore, Maryland wineries support 350 jobs with combined salaries of \$10.9 million dollars. In Fiscal Year 2009, sales of Maryland wine reached \$15.4 million and generated over \$3.5 million in State and local tax revenue- both record highs for the industry. Given that the number of Maryland wineries has doubled over the last four years, I have every confidence that these numbers will continue to grow substantially and that Maryland wineries will be duly recognized as invaluable sources of family-supporting jobs, revenue, tourism and direct and indirect economic activity.

Furthermore, in an era where we have grown more concerned about the protection of our environment and the preservation of our natural resources, I strongly believe that the Maryland wine industry can play an essential role in achieving our shared goals. Given the obvious importance of fertile and productive land to the viability of their business model, it is not surprising that Maryland's wine growers are fiercely protective stewards of the open spaces they inhabit.

In recognition of the growing importance of our local wine industry to Maryland's economy and quality of life-- and mindful of the notion that a rising tide can and will lift all boats -- Maryland's entire alcohol beverage industry has been working together over the past year to construct a legislative package that will help Maryland's wineries build and sustain a competitive market advantage. House Bill 921 represents the product of months of collaboration and compromise. Having worked with Delegate Love to bring these stakeholders together at the outset and identify possible areas of common purpose, I

am truly grateful for the good faith that was demonstrated by all parties involved to arrive at this point.

This legislation offers a statutory framework that will allow Maryland wineries to market and sell their products more effectively, which in turn will allow them to expand and create new jobs. It will allow Maryland wineries to host successful events and create a more memorable consumer experience, which will attract more tourists to Maryland and induce more direct and indirect consumer spending in local communities. This piece of legislation, if passed and signed into law, will serve as a dependable catalyst for small business development, job creation, conservation and ecotourism, while opening new market possibilities throughout the rest of Maryland's alcohol beverage industry.

It is in this spirit that I respectfully ask this Committee to support this consensus legislation and give the burgeoning wine industry the tools it needs to provide a much-needed boost to Maryland's economy. Thank you for this opportunity to deliver testimony and for your consideration.

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