# HOUSE BILL 132

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4lr1208 CF SB 305

## By: Montgomery County Delegation Introduced and read first time: January 13, 2014 Assigned to: Economic Matters **Committee Report: Favorable** House action: Adopted Read second time: March 7, 2014 CHAPTER AN ACT concerning Montgomery County - Alcoholic Beverages - Beer Sales and Delivery to **Retail Dealers** MC 19–14 FOR the purpose of authorizing a holder of a Class 7 limited beer wholesaler's license or a nonresident brewery permit to sell or deliver its own beer to a county liquor dispensary, a restaurant, or any other retail dealer in Montgomery County; authorizing a county liquor dispensary, a restaurant, or any other retail dealer in Montgomery County to purchase beer directly from a holder of a Class 7 limited beer wholesaler's license or a nonresident brewery permit; and generally relating to beer sales to retail dealers in Montgomery County.

- 12 BY repealing and reenacting, with amendments,
- 13 Article 2B Alcoholic Beverages
- 14 Section 15–204
- 15 Annotated Code of Maryland
- 16 (2011 Replacement Volume and 2013 Supplement)
- 17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 18 MARYLAND, That the Laws of Maryland read as follows:
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### Article 2B – Alcoholic Beverages

 $20 \quad 15-204.$ 

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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1 (a) Subject to § 16–407.1 of this article and except as otherwise provided in 2 this section, the liquor control board in each county shall have an absolute monopoly of 3 the sale and distribution of the particular alcoholic beverages which elsewhere in this 4 subtitle it is empowered to sell.

Provided, that in Montgomery County no person, firm, or  $\mathbf{5}$ (b)(1)6 corporation shall keep for sale any alcoholic beverage not purchased from the 7Department of Liquor Control for Montgomery County, provided, however, that 8 nothing in this subsection shall apply to a holder of a Class F license or a holder of a 9 Class 1 beer, wine and liquor, Class 2 wine and liquor, Class 3 beer and wine, Class 4 10 beer, or Class 5 wine wholesaler's license, who may not sell or deliver any alcoholic 11 beverage in Montgomery County for resale except to a county liquor dispensary.

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(2) Notwithstanding paragraph (1) of this subsection:

(i) 1. A holder of a Class 6 limited wine wholesaler's license
or of a nonresident winery permit may sell or deliver wine directly to a county liquor
dispensary, restaurant, or other retail dealer in Montgomery County; and

- 16 2. A county liquor dispensary, restaurant, or other retail
  17 dealer in Montgomery County may purchase wine directly from a holder of a Class 6
  18 limited wine wholesaler's license or of a nonresident winery permit; [and]
- (II) 1. A HOLDER OF A CLASS 7 LIMITED BEER
  WHOLESALER'S LICENSE OR OF A NONRESIDENT BREWERY PERMIT MAY SELL
  OR DELIVER ITS OWN BEER TO A COUNTY LIQUOR DISPENSARY, A RESTAURANT,
  OR ANY OTHER RETAIL DEALER IN MONTGOMERY COUNTY; AND
- 23 2. A COUNTY LIQUOR DISPENSARY, A RESTAURANT, 24 OR ANY OTHER RETAIL DEALER IN MONTGOMERY COUNTY MAY PURCHASE 25 BEER DIRECTLY FROM A HOLDER OF A CLASS 7 LIMITED BEER WHOLESALER'S 26 LICENSE OR A NONRESIDENT BREWERY PERMIT; AND
- 27 [(ii)] (III) A holder of a direct wine shipper's permit may ship 28 wine directly to a consumer in Montgomery County.
- (c) This section does not apply to the sale and distribution of light wine inSomerset County.
- 31 (d) In Wicomico County, the county dispensaries shall make wholesale sales 32 of all liquors at a markup of not more than 15 percent above the operating cost to the 33 dispensary to any licensee of a Class A, B, or C beer, wine and liquor license.
- 34 (e) (1) In this subsection, "Department" means the Worcester County 35 Department of Liquor Control.

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1	(2) This subsection applies only in Worcester County.
$2 \\ 3 \\ 4 \\ 5$	(3) (i) Beginning on July 1, 2014, a licensee in the county may elect to purchase wine or liquor from a licensed wholesaler by providing written notice of the licensee's intent to the Department at least 60 days before the date the purchasing activity is to start.
6	(ii) The notice shall contain:
7	1. The name of the licensee;
8	2. The name and address of the licensed premises; and
9	3. The date that the notice was sent to the Department.
$10 \\ 11 \\ 12$	(4) A licensee that meets the requirements of this subsection may purchase wine or liquor from a licensed wholesaler in addition to or instead of the Department.
$\begin{array}{c} 13 \\ 14 \end{array}$	(5) (i) The Department shall issue a letter of confirmation to a licensee that meets the requirements of this subsection.
$\begin{array}{c} 15\\ 16\end{array}$	(ii) The licensee shall display the letter conspicuously on the licensed premises.
$\begin{array}{c} 17\\18\end{array}$	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.