HOUSE BILL 132

A2 4lr1208
CF 4lr1759

By: **Montgomery County Delegation**
Introduced and read first time: January 13, 2014
Assigned to: Economic Matters

A BILL ENTITLED

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.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 15–204
Annotated Code of Maryland
(2011 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 2B – Alcoholic Beverages

15–204.

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

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

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

(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

2. A county liquor dispensary, restaurant, or other retail dealer in Montgomery County may purchase wine directly from a holder of a Class 6 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

2. A COUNTY LIQUOR DISPENSARY, A RESTAURANT, OR ANY OTHER RETAIL DEALER IN MONTGOMERY COUNTY MAY PURCHASE BEER DIRECTLY FROM A HOLDER OF A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE OR A NONRESIDENT BREWERY PERMIT; AND

[(ii)**] (III)** A holder of a direct wine shipper's permit may ship wine directly to a consumer in Montgomery County.

(c) This section does not apply to the sale and distribution of light wine in Somerset County.

(d) In Wicomico County, the county dispensaries shall make wholesale sales of all liquors at a markup of not more than 15 percent above the operating cost to the dispensary to any licensee of a Class A, B, or C beer, wine and liquor license.

(e) (1) In this subsection, "Department" means the Worcester County Department of Liquor Control.

(2) This subsection applies only in Worcester County.

(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.

(ii) The notice shall contain:

1. The name of the licensee;

2. The name and address of the licensed premises; and

3. The date that the notice was sent to the Department.

(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.

(5) (i) The Department shall issue a letter of confirmation to a licensee that meets the requirements of this subsection.

(ii) The licensee shall display the letter conspicuously on the licensed premises.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.