

Article - Alcoholic Beverages

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§12–112.

(a) This section applies only in the following jurisdictions:

- (1) Baltimore City;
- (2) Caroline;
- (3) Cecil;
- (4) Charles;
- (5) Dorchester;
- (6) Frederick;
- (7) Garrett;
- (8) Harford;
- (9) Kent;
- (10) Prince George's;
- (11) Queen Anne's;
- (12) St. Mary's;
- (13) Somerset;
- (14) Talbot;
- (15) Washington;
- (16) Wicomico; and
- (17) Worcester.

(b) Except as provided in subsection (c) of this section, a manufacturer or wholesaler may not sell any beer to any retail dealer except for cash on delivery.

(c) (1) This subsection applies only in Worcester County.

(2) Subject to the conditions and restrictions provided under paragraphs (3), (4), and (5) of this subsection, a wholesaler may sell beer on credit to a retail dealer who has been doing business for at least 2 years.

(3) A wholesaler who extends credit under this subsection may establish different prices for cash and credit transactions.

(4) A term of credit extended under this subsection may not exceed 10 days, with no grace period.

(5) (i) A wholesaler may not intentionally deliver beer to a retail dealer to whom any wholesaler has extended credit under this subsection if the retail dealer:

1. Fails to pay the balance owed or makes a payment on the debt by bad check; and

2. Is currently listed on the Worcester County beer credit control list in accordance with regulations issued by the Comptroller.

(ii) A wholesaler who violates this paragraph is subject to a fine not exceeding \$1,000 for each such delivery.

(6) The Board of License Commissioners may not transfer or renew the alcoholic beverages license of a retail dealer who has been extended credit under this subsection and who owes a balance on the debt at the time of the transfer or renewal.

(7) A retail dealer who fails to satisfy a debt on credit extended under this subsection on three separate occasions within a single calendar year may not obtain beer on credit for a period of 2 years from the time of the third occurrence.

(8) (i) A retail dealer may request a hearing with the State Comptroller within 10 days after being listed on the Worcester County beer credit control list for failure to comply with the provisions of this subsection.

(ii) The State Comptroller shall remove immediately from the Worcester County beer credit control list a retail dealer who requests a hearing, pending the disposition of the hearing.

(9) The State Comptroller shall enforce the provisions of this subsection and shall adopt regulations to carry out this subsection.

(d) A suit or action ex contractu to enforce or collect any claim for credit extended in violation of this section may not be maintained in this State.

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