

HOUSE BILL 153

A2

8lr0687

By: **Montgomery County Delegation**

Introduced and read first time: January 17, 2018

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Dispensaries in Retail Grocery**
3 **Stores**

4 **MC 16–18**

5 FOR the purpose of authorizing in Montgomery County the establishment of a dispensary
6 in a retail grocery store under certain conditions; and generally relating to the sale
7 of alcoholic beverages in Montgomery County.

8 BY repealing and reenacting, without amendments,
9 Article – Alcoholic Beverages
10 Section 25–102 and 25–301
11 Annotated Code of Maryland
12 (2016 Volume and 2017 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Alcoholic Beverages
15 Section 25–310
16 Annotated Code of Maryland
17 (2016 Volume and 2017 Supplement)

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

20 **Article – Alcoholic Beverages**

21 25–102.

22 This title applies only in Montgomery County.

23 25–301.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (a) In this subtitle the following words have the meanings indicated.
- 2 (b) “Department” means the County Department of Liquor Control.
- 3 (c) “Director” means the Director of the Department.
- 4 (d) “Dispensary” means a store established and maintained by the Department
5 for the sale of alcoholic beverages.

6 25–310.

7 (a) **(1)** With the approval of the County Executive, the Director may establish
8 a dispensary at one or more locations that the Director determines, **INCLUDING IN A**
9 **RETAIL GROCERY STORE IN ACCORDANCE WITH PARAGRAPH (2) OF THIS**
10 **SUBSECTION.**

11 **(2) A DISPENSARY MAY BE LOCATED IN A RETAIL GROCERY STORE**
12 **ONLY IF:**

13 **(I) THE RETAIL GROCERY STORE CONTAINS AT LEAST 10,000**
14 **SQUARE FEET OF FLOOR SPACE;**

15 **(II) THE DISPENSARY IS SEPARATED FROM THE MAIN PORTION**
16 **OF THE RETAIL GROCERY STORE BY A BARRIER THAT ALLOWS CUSTOMERS TO**
17 **ENTER AND LEAVE THE DISPENSARY THROUGH ONLY ONE PASSAGEWAY; AND**

18 **(III) A CUSTOMER IS ALLOWED TO PAY FOR ALCOHOLIC**
19 **BEVERAGES ONLY IN THE DISPENSARY AND NOT IN THE MAIN PORTION OF THE**
20 **RETAIL GROCERY STORE.**

21 (b) (1) The Department may sell its inventory through:

22 (i) dispensaries selling at wholesale and retail; and

23 (ii) subject to subsection (c) of this section, retail outlets operated by
24 individuals with whom the Department contracts.

25 (2) Notwithstanding any other law, the Director may sell at wholesale or
26 retail alcoholic beverages in whole cases or in individual bottles through dispensaries to a
27 license holder in the county.

28 (3) The Department may not sell alcoholic beverages at different prices to
29 different license holders or classes of license holders.

1 (c) (1) The Director may not contract with a person to operate:

2 (i) a dispensary; or

3 (ii) except as provided in paragraph (2) of this subsection, a retail
4 outlet for the sale of beer, wine, and liquor.

5 (2) The Director may enter into a contract with a person to operate a retail
6 outlet for the sale of liquor for off-premises consumption if the person holds any license for
7 off-premises consumption or for on- and off-premises consumption.

8 (3) The Department shall establish criteria for contracting with retail
9 outlets.

10 (d) A dispensary:

11 (1) may sell only:

12 (i) except as provided for in subsection (e) of this section, for
13 off-premises consumption, nonchilled beer, wine, and liquor;

14 (ii) ice;

15 (iii) bottled water; and

16 (iv) items commonly associated with the serving or consumption of
17 alcoholic beverages, including bottle openers, corkscrews, drink mixes, and lime juice; and

18 (2) may not sell snack foods or soft drinks.

19 (e) (1) A dispensary may sell any product in the dispensary's inventory for the
20 purpose of:

21 (i) holding tastings of beer, wine, and liquor on the premises of the
22 dispensary only;

23 (ii) serving, for tasting, beer, wine, and liquor; and

24 (iii) allowing the consumption of beer, wine, and liquor by an
25 individual for tasting in a quantity of not more than:

26 1. one-half ounce from each offering of liquor;

27 2. 1.5 ounces from all offerings of liquor in a day;

28 3. 1 ounce from each offering of wine;

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1 4. 4 ounces from all offerings of wine in a day;

2 5. 3 ounces from each offering of beer; and

3 6. 12 ounces from all offerings of beer in a day.

4 (2) Once opened, a bottle used for beer, wine, or liquor tasting shall be
5 marked that it is to be used for that purpose only.

6 (f) The Department may sell or deliver alcoholic beverages to a retail license
7 holder from 6 a.m. to midnight on every day except Sunday.

8 (g) A manager of a dispensary, an individual who contracts to operate a retail
9 outlet as authorized under subsection (c) of this section, or an employee of a dispensary or
10 retail outlet who commits a prohibited act related to the sale or providing of alcoholic
11 beverages to individuals under the age of 21 years under this article or the Criminal Law
12 Article is subject to:

13 (1) any penalty authorized by law, including a civil citation issued under §
14 10–119 of the Criminal Law Article; and

15 (2) a fine and suspension or revocation of employment by the Board in the
16 same manner as a license holder or employee of a license holder would be subject to a fine
17 and suspension or revocation of the license for the violation.

18 (h) Title 4, Subtitle 2 of this article does not apply to this section.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
20 1, 2018.