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**By: Senators Craig, Amoss, and Collins**

Introduced and read first time: January 27, 1997

Assigned to: Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2           **Harford County - Alcoholic Beverages**  
3           **(Sale of Beer for Cash)**

4 FOR the purpose of deleting Harford County from among those jurisdictions in which a  
5           manufacturer or wholesaler may not sell beer to any retail dealer except for cash;  
6           specifying a certain effectiveness; and generally relating to alcoholic beverages in  
7           Harford County.

8 BY repealing and reenacting, with amendments,  
9           Article 2B - Alcoholic Beverages  
10          Section 12-112  
11          Annotated Code of Maryland  
12          (1996 Replacement Volume)

13 BY repealing and reenacting, with amendments,  
14          Article 2B - Alcoholic Beverages  
15          Section 12-112  
16          Annotated Code of Maryland  
17          (1996 Replacement Volume)  
18          (As enacted by Chapter 507 of the Acts of the General Assembly of 1996)

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

21           **Article 2B - Alcoholic Beverages**

22 12-112.

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

24                   (1) Baltimore City;

25                   (2) Caroline;

26                   (3) Cecil;

27                   (4) Charles;

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- 1 (5) [Harford;
- 2 (6)] Kent;
- 3 [[(7)] (6) Queen Anne's;
- 4 [(8)] (7) St. Mary's;
- 5 [(9)] (8) Somerset;
- 6 [(10)] (9) Talbot;
- 7 [(11)] (10) Wicomico; and
- 8 [(12)] (11) Worcester.

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

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

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

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

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

19 (5) (i) A wholesaler may not intentionally deliver beer to a retail dealer  
 20 to whom any wholesaler has extended credit under this subsection and who fails to pay  
 21 the balance owed or makes a payment on the debt by bad check.

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

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

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

30 (8) The State Comptroller shall enforce the provisions of this subsection.

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

33 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 34 read as follows:

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1           **Article 2B - Alcoholic Beverages**

2 12-112.

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

- 4                   (1) Baltimore City;
- 5                   (2) Caroline;
- 6                   (3) Cecil;
- 7                   (4) Charles;
- 8                   (5) [Harford;
- 9                   (6)] Kent;
- 10                  [(7)] (6) Queen Anne's;
- 11                  [(8)] (7) St. Mary's;
- 12                  [(9)] (8) Somerset;
- 13                  [(10)] (9) Talbot;
- 14                  [(11)] (10) Wicomico; and
- 15                  [(12)] (11) Worcester.

16           (b) A manufacturer or wholesaler may not sell any beer to any retail dealer except  
17 for cash on delivery.

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

20           SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
21 take effect on the taking effect of the termination provision specified in Section 2 of  
22 Chapter 507 of the Acts of the General Assembly of 1996. If that termination provision  
23 takes effect, Section 1 of this Act shall be void. This Act may not be interpreted to have  
24 any effect on that termination provision.

25           SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions  
26 of Section 3 of this Act, this Act shall take effect October 1, 1997.