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SB 183/96 - EEA

1997 Regular Session
7lr1388

By: Senators Craig, Amoss, and Collins

Introduced and read first time: January 27, 1997

Assigned to: Economic and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 1997

CHAPTER ____

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:

2

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

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

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

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

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

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

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

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

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

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

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

3

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

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

5 **Article 2B - Alcoholic Beverages**

6 12-112.

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

- 8 (1) Baltimore City;
- 9 (2) Caroline;
- 10 (3) Cecil;
- 11 (4) Charles;
- 12 (5) [Harford;
- 13 (6)] Kent;
- 14 [(7)] (6) Queen Anne's;
- 15 [(8)] (7) St. Mary's;
- 16 [(9)] (8) Somerset;
- 17 [(10)] (9) Talbot;
- 18 [(11)] (10) Wicomico; and
- 19 [(12)] (11) Worcester.

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

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

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

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

