

HOUSE JOINT RESOLUTION 18

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1998 Regular Session
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By: **Delegates Minnick and Harkins**
Introduced and read first time: February 13, 1998
Assigned to: Economic Matters

HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

2 **Alcoholic Beverages - Direct Shipment to Consumers**

3 FOR the purpose of affirming Maryland's public policy that prohibits the direct
4 shipment of alcoholic beverages, commonly known as "mail order alcohol", to
5 Maryland consumers from out-of-state entities.

6 WHEREAS, It is the declared policy of the State of Maryland that it is necessary
7 to regulate and control the manufacture, sale, distribution, transportation, and
8 storage of alcoholic beverages in Maryland, and the transportation and distribution of
9 alcoholic beverages into and out of Maryland, in order to secure respect for and
10 obedience to the law and to foster and promote temperance; and

11 WHEREAS, The direct shipment of alcoholic beverages has become more
12 prevalent in the past 10 years; and

13 WHEREAS, The direct shipment of alcoholic beverages has become a significant
14 issue of concern for alcoholic beverages regulators and tax administrators nationwide;
15 and

16 WHEREAS, The National Conference of State Liquor Administrators, the
17 National Alcoholic Beverage Control Association, and the Joint Committee of the
18 States to Study Alcoholic Beverage Laws, have passed resolutions opposing the direct
19 shipment of alcoholic beverages contrary to individual state laws; and

20 WHEREAS, A person under the legal drinking age may easily order and receive
21 alcoholic beverages through direct shipping programs; and

22 WHEREAS, The direct shipment of alcoholic beverages to consumers avoids the
23 alcoholic beverage excise tax and the State sales tax, resulting in a significant
24 revenue loss to Maryland; and

25 WHEREAS, The direct shipment of alcoholic beverages circumvents the
26 established three-tier license and distribution system for alcoholic beverages in
27 Maryland and all of the necessary controls inherent in this system; and

1 WHEREAS, The use of the Internet and direct sales catalogs for promoting
2 direct shipments of alcoholic beverages has increased significantly in recent years;
3 and

4 WHEREAS, Legitimate entities may directly market their alcoholic beverage
5 products to consumers through programs approved by the State Comptroller's Office
6 that allow the product to flow through normal distribution channels, thus assuring
7 that taxes are paid, controls are established, and minors are protected; now, therefore,
8 be it

9 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That it is the
10 policy of the Maryland General Assembly that the direct shipment of alcoholic
11 beverages to consumers in Maryland from entities located outside of Maryland is
12 illegal and continues to be contrary to the public policy of the State, and the General
13 Assembly directs that the State Comptroller's Office continue its education,
14 compliance, and enforcement efforts to protect the citizens and taxpayers of the State;
15 and be it further

16 RESOLVED, That a copy of this Resolution be forwarded by the Department of
17 Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland;
18 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; the
19 Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates; and the
20 Honorable Louis L. Goldstein, Maryland Comptroller of the Treasury.