

SENATE BILL 263

Unofficial Copy
A2
SB 183/96 - EEA

1999 Regular Session
9r1450
CF 9r1451

By: **Senators Jacobs, Hooper, and Collins**
Introduced and read first time: February 4, 1999
Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County - Alcoholic Beverages - Beer Sales**

3 FOR the purpose of removing Harford County from the list of jurisdictions in which a
4 manufacturer or wholesaler may not sell beer to a retail dealer except for cash
5 on delivery; and generally relating to alcoholic beverage sales in Harford
6 County.

7 BY repealing and reenacting, with amendments,
8 Article 2B - Alcoholic Beverages
9 Section 12-112
10 Annotated Code of Maryland
11 (1998 Replacement Volume and 1998 Supplement)

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

14 **Article 2B - Alcoholic Beverages**

15 12-112.

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

- 17 (1) Baltimore City;
18 (2) Caroline;
19 (3) Cecil;
20 (4) Charles;
21 (5) Dorchester;
22 (6) Frederick;
23 (7) Garrett;

1 (8) [Harford;
2 (9)] Kent;
3 [(10)] (9) Prince George's;
4 [(11)] (10) Queen Anne's;
5 [(12)] (11) St. Mary's;
6 [(13)] (12) Somerset;
7 [(14)] (13) Talbot;
8 [(15)] (14) Washington;
9 [(16)] (15) Wicomico; and
10 [(17)] (16) Worcester.

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

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

14 (2) Subject to the conditions and restrictions provided under paragraphs
15 (3), (4), and (5) of this subsection, a wholesaler may sell beer on credit to a retail
16 dealer who has been doing business for at least 2 years.

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

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

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

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

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

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

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

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

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

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

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

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

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 1999.