
By: **Senator Harris**

Introduced and read first time: January 26, 2001

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages - Direct Shipment Permit**

3 FOR the purpose of authorizing the Office of the Comptroller to issue an alcoholic
4 beverages direct shipment permit to certain persons; authorizing a holder of a
5 direct shipment permit to ship a certain amount of alcoholic beverages to certain
6 persons for personal use; establishing the annual permit fee; requiring a permit
7 applicant to provide certain information to the Comptroller; requiring a permit
8 holder annually to provide certain information to the Comptroller; prohibiting a
9 permit holder from shipping alcoholic beverages to certain locations;
10 establishing certain labeling and signature requirements for the direct
11 shipment of alcoholic beverages; requiring a permit holder to ensure that certain
12 taxes are paid; and generally relating to a direct shipment permit for alcoholic
13 beverages.

14 BY repealing and reenacting, without amendments,
15 Article 2B - Alcoholic Beverages
16 Section 2-101(a)
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 2000 Supplement)

19 BY adding to
20 Article 2B - Alcoholic Beverages
21 Section 2-101(b)(12) and (v)
22 Annotated Code of Maryland
23 (1998 Replacement Volume and 2000 Supplement)

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

1 **Article 2B - Alcoholic Beverages**

2 2-101.

3 (a) The Office of the Comptroller shall provide application forms for the
4 permits listed in this section and applicants shall make application to the Office of
5 the Comptroller. The procedure in issuing permits, the purchase of alcoholic
6 beverages, and the exercise of the privileges granted under the various permits shall
7 be subject to regulations promulgated by the Office of the Comptroller. The Office of
8 the Comptroller may cancel, restrict, suspend, or revoke any permit.

9 (b) (12) THE ANNUAL FEE FOR A DIRECT SHIPMENT PERMIT IS \$100.

10 (V) (1) THE COMPTROLLER MAY ISSUE A DIRECT SHIPMENT PERMIT TO AN
11 ALCOHOLIC BEVERAGES MANUFACTURER OR WHOLESALER LICENSED BY ANOTHER
12 STATE.

13 (2) (I) AN APPLICANT FOR A DIRECT SHIPMENT PERMIT SHALL
14 PROVIDE TO THE COMPTROLLER:

15 1. AN APPLICATION ON A FORM PRESCRIBED BY THE
16 COMPTROLLER;

17 2. A COPY OF THE VALID OUT-OF-STATE MANUFACTURER'S
18 OR WHOLESALER'S LICENSE; AND

19 3. THE ANNUAL PERMIT FEE UNDER SUBSECTION (B)(12) OF
20 THIS SECTION.

21 (II) A HOLDER OF A DIRECT SHIPMENT PERMIT ANNUALLY SHALL
22 PROVIDE TO THE COMPTROLLER AT THE TIME OF PERMIT RENEWAL:

23 1. A COPY OF THE VALID OUT-OF-STATE MANUFACTURER'S
24 OR WHOLESALER'S LICENSE;

25 2. THE ANNUAL FEE UNDER SUBSECTION (B)(12) OF THIS
26 SECTION; AND

27 3. A REPORT STATING THE TOTAL AMOUNT OF EACH BRAND
28 OF ALCOHOLIC BEVERAGES SHIPPED INTO THE STATE DURING THE PREVIOUS
29 PERMIT YEAR.

30 (3) A DIRECT SHIPMENT PERMIT SHALL AUTHORIZE THE HOLDER TO
31 SHIP UP TO THE EQUIVALENT OF TWENTY-FOUR 750-MILLILITER CONTAINERS OF
32 ALCOHOLIC BEVERAGES PER MONTH DIRECTLY TO A STATE RESIDENT WHO IS AT
33 LEAST 21 YEARS OLD FOR THE PERSONAL USE OF THE RESIDENT.

34 (4) A HOLDER OF A DIRECT SHIPMENT PERMIT:

1 (I) MAY NOT SHIP ALCOHOLIC BEVERAGES TO A LOCATION IN THE
2 STATE WHERE THE LOCAL BOARD OF LICENSE COMMISSIONERS MAY NOT ISSUE A
3 RETAIL ALCOHOLIC BEVERAGES LICENSE;

4 (II) SHALL ENSURE THAT A PACKAGE CONTAINING ALCOHOLIC
5 BEVERAGES SHIPPED DIRECTLY TO A RESIDENT OF THE STATE IS:

6 1. CONSPICUOUSLY LABELED THAT THE PACKAGE
7 CONTAINS ALCOHOLIC BEVERAGES AND REQUIRES A SIGNATURE OF A PERSON AT
8 LEAST 21 YEARS OLD FOR DELIVERY; AND

9 2. SIGNED FOR BY, AND DELIVERED TO, A RESIDENT WHO IS
10 AT LEAST 21 YEARS OLD; AND

11 (III) SHALL ENSURE THAT ALL TAXES REQUIRED UNDER TITLE 5 OF
12 THE TAX - GENERAL ARTICLE ARE PAID FOR EACH DIRECT SHIPMENT.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2001.