

# HOUSE BILL 1160

Q7, O1, O3  
HB 904/08 – W&M

9lr2011

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By: **Delegates Gutierrez, Ali, Barkley, Carter, V. Clagett, Dumais, Gilchrist, Hecht, Hucker, Ivey, Kirk, Krysiak, Lee, Montgomery, Pena-Melnyk, Robinson, V. Turner, Valderrama, and Waldstreicher**

Introduced and read first time: February 13, 2009

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverage Tax – Increase and Distribution of Funds**

3 FOR the purpose of altering State tax rates for alcoholic beverages in Maryland;  
4 altering the distribution of the alcoholic beverage tax revenue; requiring the  
5 Comptroller to distribute certain portions of the alcoholic beverage tax revenue  
6 to certain special funds, to be used only for certain purposes; establishing a  
7 special fund to be administered by the Department of Human Resources and to  
8 be used only for the purpose of providing certain services for victims of domestic  
9 violence, sexual assault, and sexual or physical child abuse; and generally  
10 relating to the alcoholic beverage tax and the dedication of certain alcoholic  
11 beverage tax revenue for certain purposes.

12 BY repealing and reenacting, with amendments,  
13 Article – Tax – General  
14 Section 2–301 and 5–105(a), (b), and (c)  
15 Annotated Code of Maryland  
16 (2004 Replacement Volume and 2008 Supplement)

17 BY repealing and reenacting, without amendments,  
18 Article – Health – General  
19 Section 7–206(a), (b), and (c)  
20 Annotated Code of Maryland  
21 (2005 Replacement Volume and 2008 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Article – Health – General  
24 Section 7–206(d)(1)  
25 Annotated Code of Maryland  
26 (2005 Replacement Volume and 2008 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article - Tax - General**

4 2-301.

5 (a) From the alcoholic beverage tax revenue, the Comptroller shall distribute  
6 the amount necessary to administer the alcoholic beverage tax laws to an  
7 administrative cost account.

8 (B) (1) **AFTER MAKING THE DISTRIBUTION REQUIRED UNDER**  
9 **SUBSECTION (A) OF THIS SECTION, OF THE REMAINING ALCOHOLIC BEVERAGE**  
10 **TAX REVENUE, THE COMPTROLLER SHALL DISTRIBUTE:**

11 (I) **25% TO THE WAITING LIST EQUITY FUND ESTABLISHED**  
12 **UNDER § 7-206 OF THE HEALTH - GENERAL ARTICLE TO BE USED TO PROVIDE**  
13 **COMMUNITY-BASED SERVICES TO INDIVIDUALS WHO ARE ON THE**  
14 **DEVELOPMENTAL DISABILITIES ADMINISTRATION WAITING LIST AND ARE**  
15 **ELIGIBLE FOR, BUT NOT RECEIVING, SERVICES FROM THE ADMINISTRATION;**  
16 **AND**

17 (II) **25% TO A SPECIAL FUND TO BE ADMINISTERED BY THE**  
18 **DEPARTMENT OF HUMAN RESOURCES AND TO BE USED ONLY FOR THE**  
19 **PURPOSE OF PROVIDING CULTURALLY AND LINGUISTICALLY COMPETENT**  
20 **SERVICES FOR VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT, AND**  
21 **SEXUAL OR PHYSICAL CHILD ABUSE AS PROVIDED IN SUBSECTION (D) OF THIS**  
22 **SECTION.**

23 (2) **FUNDS EXPENDED FROM THE ALCOHOLIC BEVERAGE TAX**  
24 **REVENUE DISTRIBUTED UNDER PARAGRAPH (1) OF THIS SUBSECTION ARE**  
25 **SUPPLEMENTAL AND ARE NOT INTENDED TO TAKE THE PLACE OF FUNDING**  
26 **THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PURPOSES STATED.**

27 [(b)] (C) After making the [distribution] **DISTRIBUTIONS** required under  
28 [subsection (a)] **SUBSECTIONS (A) AND (B)** of this section, the Comptroller shall  
29 distribute the remaining alcoholic beverage tax revenue to the General Fund of the  
30 State.

31 (D) (1) (I) **IN THIS SUBSECTION THE FOLLOWING WORDS HAVE**  
32 **THE MEANINGS INDICATED.**

33 (II) **“ELIGIBLE PROVIDER” INCLUDES:**

1                   **1. A RAPE CRISIS CENTER OR DOMESTIC VIOLENCE**  
2 **PROGRAM FUNDED THROUGH THE DEPARTMENT OF HUMAN RESOURCES TO**  
3 **PROVIDE COUNSELING, SHELTER, AND ADVOCACY SERVICES TO VICTIMS OF**  
4 **SEXUAL ASSAULT, DOMESTIC VIOLENCE, OR SEXUAL OR PHYSICAL CHILD**  
5 **ABUSE;**

6                   **2. A CHILD ADVOCACY CENTER, AS DEFINED IN §**  
7 **13-2201 OF THE HEALTH – GENERAL ARTICLE; AND**

8                   **3. A GRANTEE RECEIVING FINANCIAL ASSISTANCE**  
9 **FROM THE MARYLAND LEGAL SERVICES CORPORATION UNDER TITLE 11,**  
10 **SUBTITLE 5 OF THE HUMAN SERVICES ARTICLE THAT PROVIDES LEGAL**  
11 **SERVICES TO VICTIMS OF SEXUAL ASSAULT, DOMESTIC VIOLENCE, OR SEXUAL**  
12 **OR PHYSICAL CHILD ABUSE.**

13                   **(III) “FUND” MEANS THE SPECIAL FUND ESTABLISHED**  
14 **UNDER SUBSECTION (B)(1)(II) OF THIS SECTION.**

15                   **(IV) “SECRETARY” MEANS THE SECRETARY OF HUMAN**  
16 **SERVICES.**

17                   **(2) THE SECRETARY MAY DISTRIBUTE UP TO 5% OF THE MONEY**  
18 **IN THE FUND TO AN ADMINISTRATIVE COST ACCOUNT TO BE USED TO PAY**  
19 **ADMINISTRATIVE EXPENSES DIRECTLY RELATING TO THE PURPOSES OF THE**  
20 **FUND.**

21                   **(3) AFTER THE DISTRIBUTION UNDER PARAGRAPH (2) OF THIS**  
22 **SUBSECTION, THE SECRETARY SHALL ALLOCATE THE MONEY IN THE FUND AS**  
23 **FOLLOWS:**

24                   **(I) AT LEAST 50% TO PROVIDE FUNDING FOR WAGES AND**  
25 **BENEFITS OF STAFF OF ELIGIBLE PROVIDERS; AND**

26                   **(II) UP TO 50% TO PROVIDE GRANTS TO ELIGIBLE**  
27 **PROVIDERS TO PAY FOR COUNSELING, ADVOCACY, AND LEGAL SERVICES TO**  
28 **VICTIMS OF SEXUAL ASSAULT, DOMESTIC VIOLENCE, OR SEXUAL OR PHYSICAL**  
29 **CHILD ABUSE WHO ARE IN NEED OF DIRECT SERVICES IN A LANGUAGE OTHER**  
30 **THAN ENGLISH.**

31 5-105.

32                   **(a) Except as provided in subsection (d) of this section, the alcoholic beverage**  
33 **tax rate for distilled spirits is:**

1 (1) [~~\$1.50~~] **\$4.00** for each gallon or [~~39.63 cents~~] **\$1.06** for each liter;  
2 and

3 (2) if distilled spirits contain a percentage of alcohol greater than 100  
4 proof, an additional tax, for each 1 proof over 100 proof, of [~~1.5~~] **4.0** cents for each  
5 gallon or [~~0.3963~~] **1.06** cents for each liter.

6 (b) Except as provided in subsection (d) of this section, the alcoholic beverage  
7 tax rate for wine is [~~40 cents~~] **\$1.00** for each gallon or [~~10.57~~] **26.42** cents for each  
8 liter.

9 (c) Except as provided in subsection (d) of this section, the alcoholic beverage  
10 tax rate on beer is [~~9~~] **25** cents for each gallon or [~~2.3778~~] **6.605** cents for each liter.

### 11 Article - Health - General

12 7-206.

13 (a) (1) There is a continuing, nonlapsing Waiting List Equity Fund in the  
14 Department of Health and Mental Hygiene.

15 (2) The purpose of the Waiting List Equity Fund is to ensure that:

16 (i) When individuals leave State residential centers, the net  
17 average cost of serving them in the State residential center, as defined in subsection  
18 (d)(2) of this section, shall follow them to community-based services; and

19 (ii) Any funds remaining after the individuals leaving State  
20 residential centers are served, are used to provide community-based services to  
21 individuals eligible for, but not receiving, the community-based services listed in  
22 subsection (c) of this section.

23 (b) Subject to the appropriation process in the annual operating budget, the  
24 Department shall use the Waiting List Equity Fund for providing community-based  
25 services to individuals eligible for, but not receiving, services from the Developmental  
26 Disabilities Administration.

27 (c) For individuals eligible for, but not receiving, services from the  
28 Developmental Disabilities Administration in the Department, the Waiting List  
29 Equity Fund shall be used to provide:

30 (1) Individualized supported living arrangements services;

31 (2) Respite care;

32 (3) Individual and family support services;

1 (4) Supported employment; and

2 (5) Individualized community integration day services.

3 (d) (1) [Subject to the appropriation process in the annual operating  
4 budget, the] **THE** Waiting List Equity Fund shall consist of:

5 (I) **SUBJECT TO THE APPROPRIATION PROCESS IN THE**  
6 **ANNUAL OPERATING BUDGET**, funds which are equal to the cost of providing  
7 services to an individual in a State residential center for each fiscal year, or part of a  
8 fiscal year, that the individual is no longer served in a State residential center and is  
9 provided community-based services as defined in paragraph (2) of this subsection;

10 (II) **ALCOHOLIC BEVERAGE TAX REVENUE DISTRIBUTED TO**  
11 **THE FUND UNDER § 2-301(B) OF THE TAX – GENERAL ARTICLE; AND**

12 (III) **ANY OTHER MONEY FROM ANY OTHER SOURCE**  
13 **ACCEPTED FOR THE BENEFIT OF THE FUND.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 July 1, 2009.