A1, C2 3lr0346

By: Delegate Wilson

Introduced and read first time: February 10, 2023

Assigned to: Economic Matters

### A BILL ENTITLED

1 AN ACT concerning

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14

16

### Alcohol and Tobacco Commission – Technical Corrections and Clarifications

3 FOR the purpose of correcting certain references to the Comptroller of Maryland to be the 4 Executive Director of the Alcohol and Tobacco Commission; clarifying certain powers 5 and duties of the Executive Director of the Commission relating to alcoholic 6 beverages regulation and enforcement; and generally relating to the Alcohol and 7

Tobacco Commission.

BY repealing and reenacting, without amendments,

9 Article – Alcoholic Beverages

10 Section 1–101(a), 1–313(b)(2)(iii), 9–102, 11–102, 12–102, 15–102, 16–102, 19–102, 11 20-102, 21-102, 23-102, 24-102, 25-102, 30-102, 31-102, 32-102, and 12 33 - 102

13 Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

15 BY repealing and reenacting, with amendments,

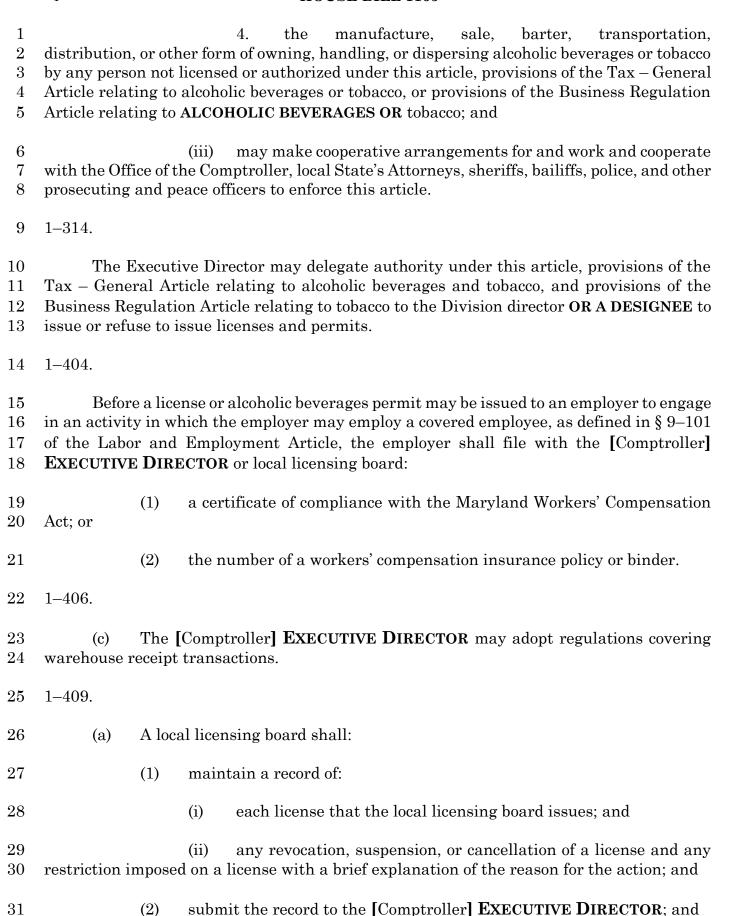
Article – Alcoholic Beverages

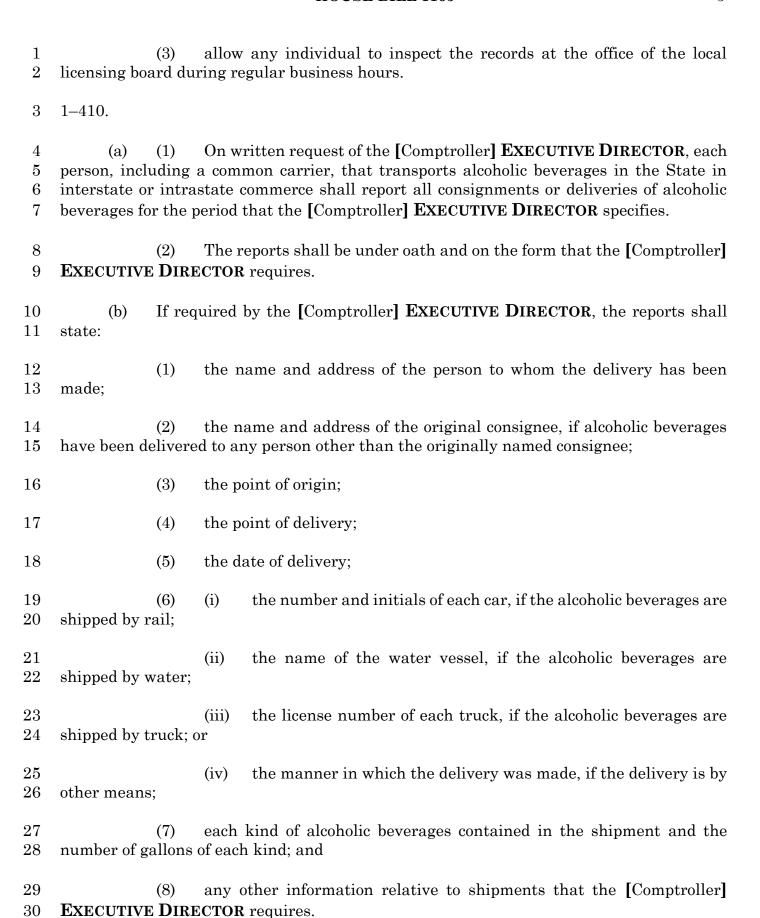
17 Section 1–101(ff), 1–313(b)(2)(ii)4., 1–314, 1–404, 1–406(c), 1–409(a), 1–410(a) and 18 (b), 2-102, 2-103, 2-106, 2-111(b) and (d), 2-113(c), 2-114(c), 2-115(b) and 19 (e), 2–116(b) and (g), 2–118(c), 2–119(c), 2–124(b) and (c), 2–125(b) through 20 (d), 2–130(b) and (g) through (i), 2–131(a), (c), (f), and (g), 2–132(b) and (c)(2), 2-132.1(b) and (c)(2), 2-132.2(b), (f), and (g), 2-133(b), (e)(6), (g), and (i), 21 222-135(b) and (d), 2-136(b)(1), 2-137(c) and (l), 2-138(d) and (f), 2-139(b), 23 2-140(a), (b), and (c)(3), 2-143, 2-145, 2-148(a)(2), (6), and (7), 2-149(a)(2)24and (4) and (b), 2–151(g) and (h), 2–152(a), 2–158(b), 2–164(e)(2), 2–201, 252-202(g) and (k), 2-203(g), 2-204(f) and (i), 2-205(d), 2-206(b)(3)(ii) and (9), 26(d), (f), and (h), 2-207(e) and (i)(1), 2-208(e) and (i), 2-209(i) and (j), 27 2-210(c)(2) and (6), (i)(2), (j), and (k), 2-213, 2-219(b)(4) and (c), 2-301, 28 2-302(d), 2-303(d), 2-304(d), 2-305(d), 2-306(d), 2-307(e), 2-308(e), 29 2-308.1(e), 2-312(a), 2-401, 2-402(a), 2-404(b), 2-405(a), 2-406(a), 2-407(a)

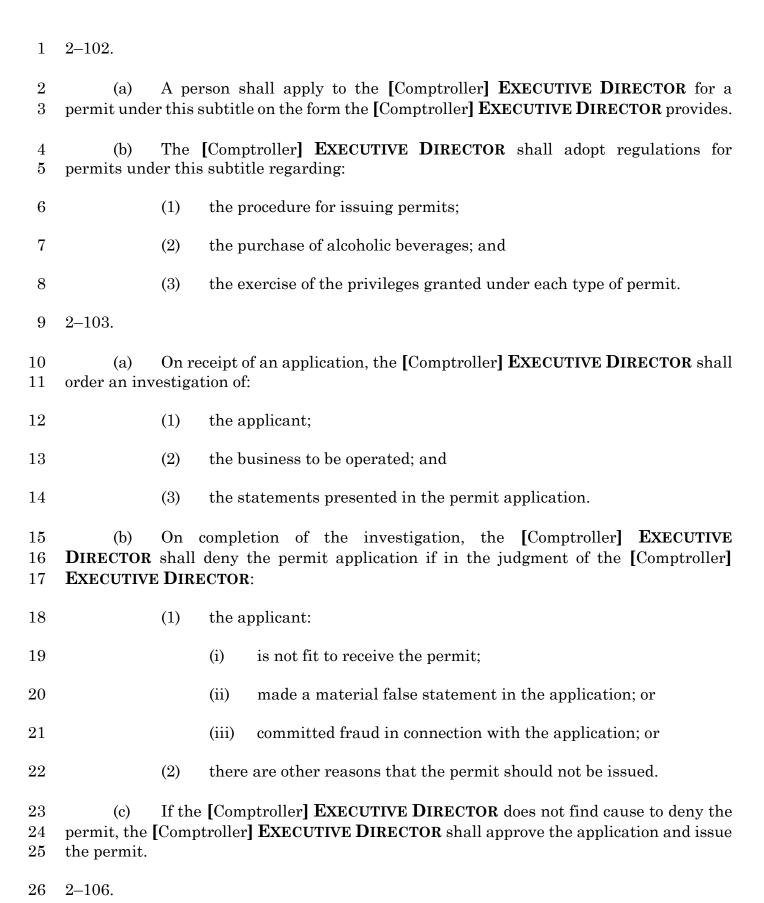


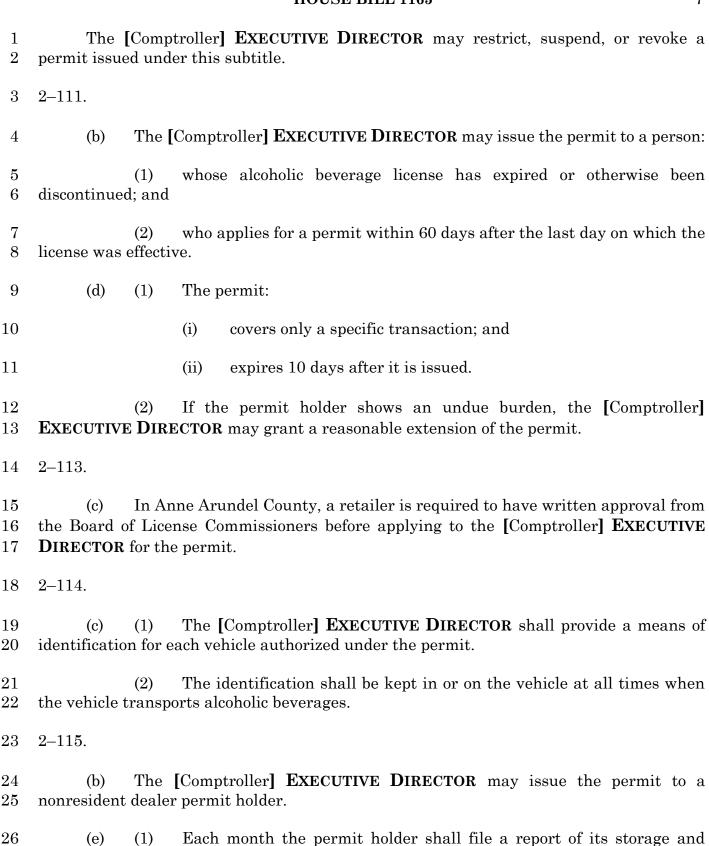
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                 and (d)(1)(vi), 2-408(b), 2-502(a), 2-506(b), 3-101, 3-107, 3-108(b)(6),
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                 3-201(a), 3-202 through 3-205, 3-206(a), 3-207(b)(2), 3-301(b)(4), 3-302
 3
                 through 3-304, 3-401, 3-402, 3-404(b), 3-405(b), 3-406, 3-407(a) and (c),
 4
                 3-504(c) and (g), 3-601, 3-602(a) and (c), 3-603, 3-604(a)(1), 3-605(a),
 5
                 3-606(c), 3-701(b), 3-703, 3-704(a), 3-802, 3-803(a), 3-901, 4-108, 4-109(b),
 6
                 4-206(c), 4-505(c) and (g), 4-1104(d)(2) and (3), 4-1105(d)(2) and (3),
 7
                 4-1202(b), 5-303(b), 6-101(c)(2), 6-103, 6-104, 6-105(b), 6-107(a) and (b),
 8
                 6-108(b), 6-202(a), 6-203, 6-204(a), 6-205(b), 6-308(a)(3), 6-319(a)(3),
 9
                 6-328(a)(4), 9-1403, 11-206(a), 11-207, 11-1406, 11-2102(a), 12-403(c)(2)
10
                 and (3), 15–1001(i), 15–1309(c)(2) and (d), 16–405(b)(4), 19–403(d), 19–404(c),
                 20-1009(b), 21-1311(c) and (d), 23-403(b), 23-902(f), 24-1310(c) and (d),
11
                 25-314(a)(3) and (b), 25-405(c) and (e)(2) and (3), 30-403(b), 30-404(b),
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13
                 31-404(c), 31-1007(h), 32-311(a), 32-312(a)(3) and (b), 32-403(b) and (c),
14
                 32–405(a), 32–1001(i), 33–309(a), and 33–504(b)(1) and (4) and (d)
           Annotated Code of Maryland
15
           (2016 Volume and 2022 Supplement)
16
17
    BY repealing and reenacting, with amendments,
18
          Article – Business Regulation
19
           Section 16–308.2, 17–101, 17–202, and 17–2104
20
           Annotated Code of Maryland
21
           (2015 Replacement Volume and 2022 Supplement)
22
    BY repealing and reenacting, with amendments,
23
           Article – Commercial Law
24
           Section 11–501, 11–506 through 11–508, 11–5A–01, and 11–5A–03
25
           Annotated Code of Maryland
26
           (2013 Replacement Volume and 2022 Supplement)
27
    BY repealing and reenacting, with amendments,
28
           Article – Courts and Judicial Proceedings
29
           Section 5–523
30
           Annotated Code of Maryland
           (2020 Replacement Volume and 2022 Supplement)
31
32
    BY repealing and reenacting, with amendments,
33
           Article – Criminal Law
           Section 10–107(b)(2) and 10–108(a)
34
35
           Annotated Code of Maryland
36
           (2021 Replacement Volume and 2022 Supplement)
37
    BY repealing and reenacting, with amendments,
38
          Article – Health – General
39
           Section 18–213(a)(5) and 24–307(b), (c), and (f)(1)
40
           Annotated Code of Maryland
           (2019 Replacement Volume and 2022 Supplement)
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1
    BY repealing and reenacting, without amendments,
 2
          Article - Tax - General
 3
          Section 1–101(a) and 5–101(a)
 4
          Annotated Code of Maryland
 5
           (2022 Replacement Volume)
 6
    BY adding to
 7
          Article - Tax - General
 8
           Section 1-101(g-2)
 9
          Annotated Code of Maryland
10
          (2022 Replacement Volume)
    BY repealing and reenacting, with amendments,
11
           Article – Tax – General
12
          Section 1-205(b), 2-102(b), 2-103, 2-105(b) and (c), 2-107(e), 2-108, 2-303,
13
14
                 5-101(n) and (o), 12-203(b), 12-204, 13-710, 13-835(a), 13-836(a)(1) and
15
                 (b)(1) and (2), 13–837, 13–838(b)(3), 13–839, and 13–841(a), (b), and (d)
          Annotated Code of Maryland
16
17
           (2022 Replacement Volume)
18
    BY repealing
19
           Article - Tax - General
20
           Section 5–101(m) and 13–1011
21
           Annotated Code of Maryland
22
           (2022 Replacement Volume)
23
           SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
24
    That the Laws of Maryland read as follows:
25
                                Article - Alcoholic Beverages
26
    1-101.
27
                 In this article the following words have the meanings indicated.
           (a)
28
                 "Tobacco" includes cigarettes regulated under Title 16 of the Business
29
    Regulation Article and other tobacco and related products regulated under Titles 16.5
30
    [and], 16.7, OR 16.9 of the Business Regulation Article.
31
    1 - 313.
32
           (b)
                 (2)
                       The officers and employees of the Field Enforcement Division:
33
                       (ii)
                             shall have the powers, duties, and responsibilities of peace
    officers to enforce the provisions of this article relating to:
34
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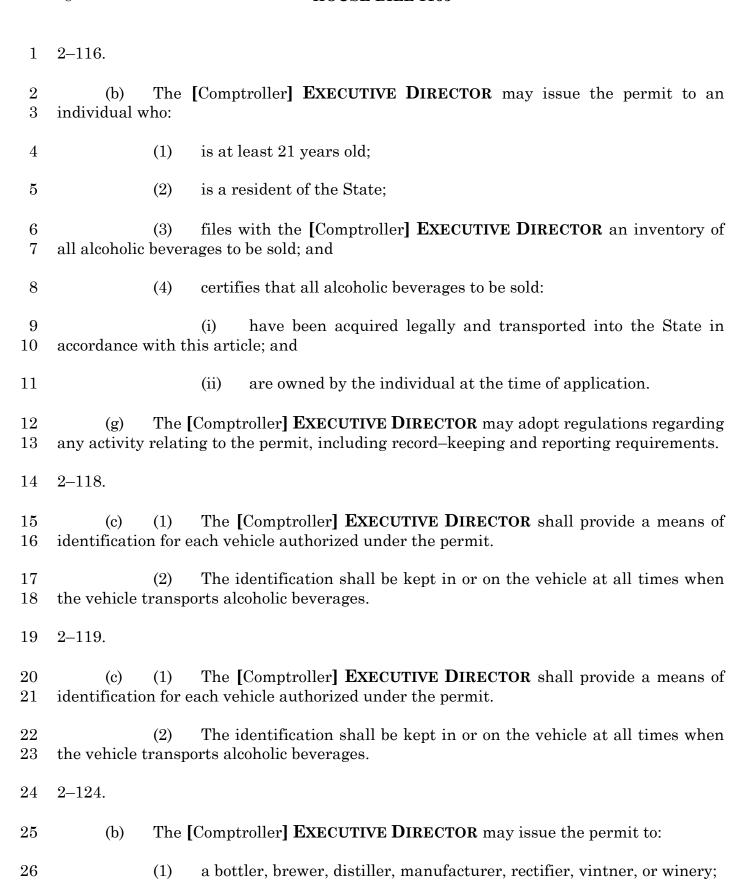


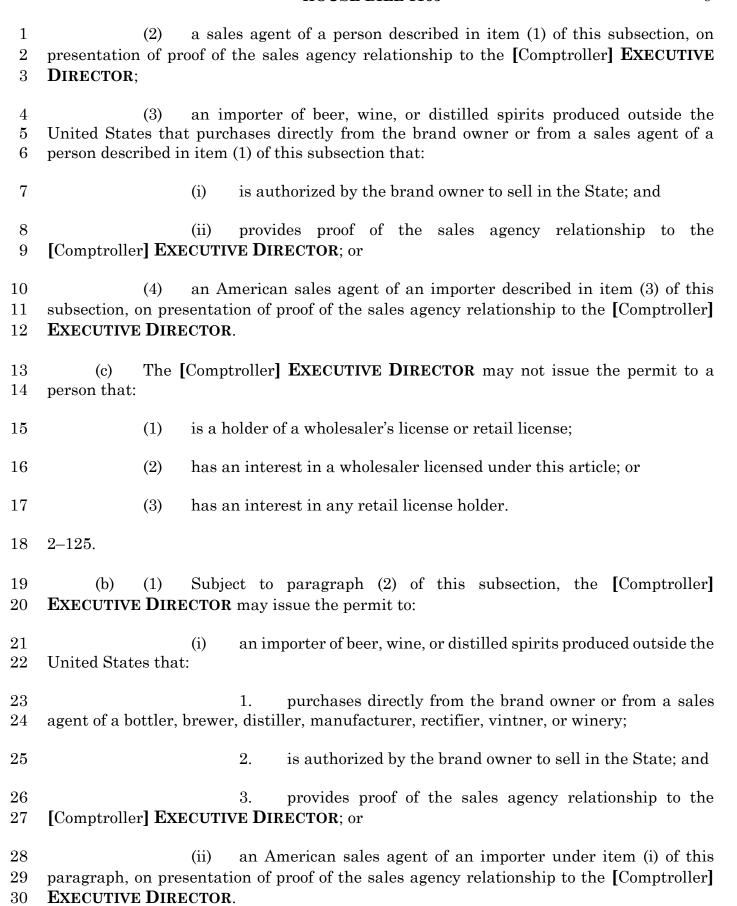


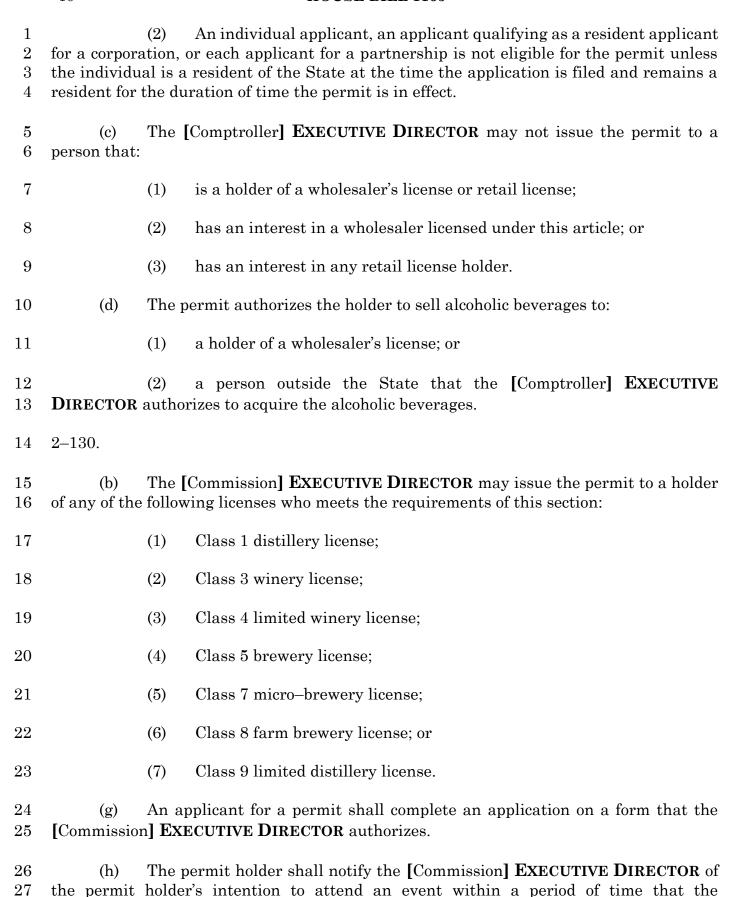


28 (2) The report shall be filed in the manner and on the form that the 29 [Comptroller] **EXECUTIVE DIRECTOR** provides.

shipping activities with the [Comptroller] **EXECUTIVE DIRECTOR**.







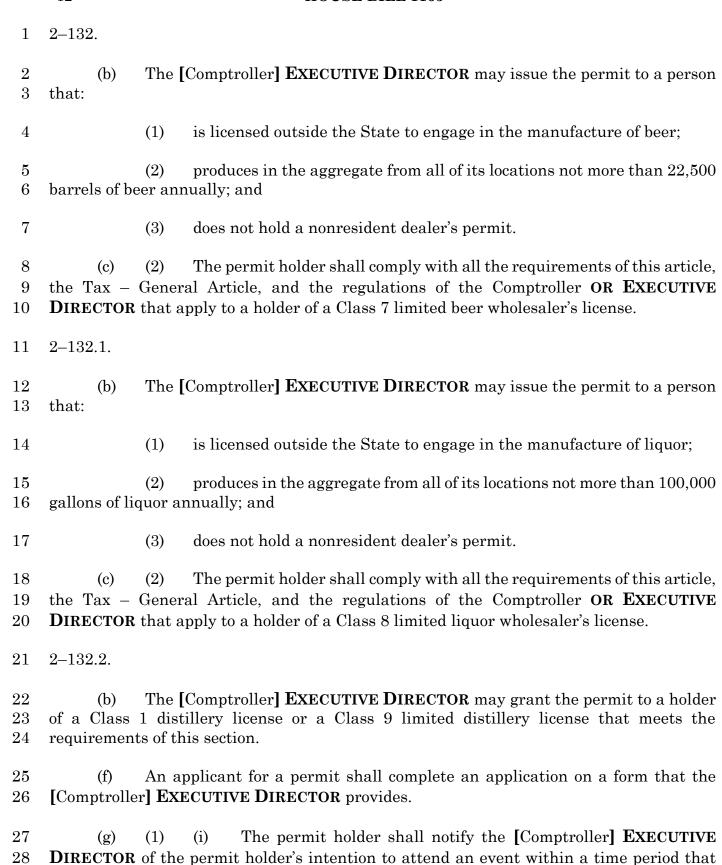
[Commission] **EXECUTIVE DIRECTOR** determines on the form that the [Commission] 1 2 **EXECUTIVE DIRECTOR** authorizes. 3 The [Commission] **EXECUTIVE DIRECTOR** may adopt regulations to require the permit holder to notify the local licensing board of the jurisdiction where the event is 4 being held of the permit holder's intention to attend the event. 5 6 2-131. 7 In this section, "off-site permit" includes: (a) (1) a [brewing company] MANUFACTURER off-site permit; AND 8 9 (2)[a distillery off-site permit; a retail off-site permit[; and 10 (3) 11 (4) a winery off-site permit]. 12 The [Comptroller] EXECUTIVE DIRECTOR may issue the permit to a 13 nonprofit organization, as defined by § 501(c) of the Internal Revenue Code, that meets the requirements of this section. 14 15 (f) Not less than 30 days before the nonprofit beer, wine, and liquor 16 festival, a person shall submit an application to the [Comptroller] EXECUTIVE DIRECTOR. 17 18 (2) The application shall: be on a form that the [Comptroller] EXECUTIVE DIRECTOR 19 (i) 20 provides; 21 (ii) state that the primary purpose of the nonprofit beer, wine, and 22liquor festival is to promote Maryland beer, wine, and liquor; 23 (iii) provide details of the nonprofit beer, wine, and liquor festival, 24including the location, dates, and times of operation; and 25 include appropriate evidence that the applicant has been given 26permission by the owner of the property where the nonprofit beer, wine, and liquor festival 27 is to be held. 28 Not less than 15 days before the nonprofit beer, wine, and liquor festival, the

permit holder shall provide the [Comptroller] EXECUTIVE DIRECTOR with a list of

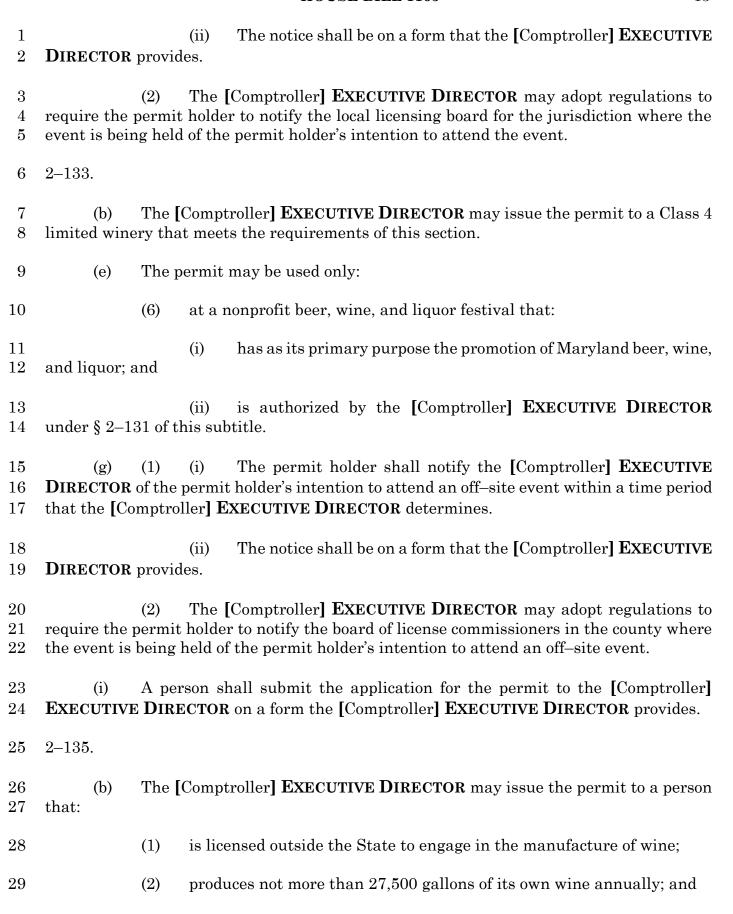
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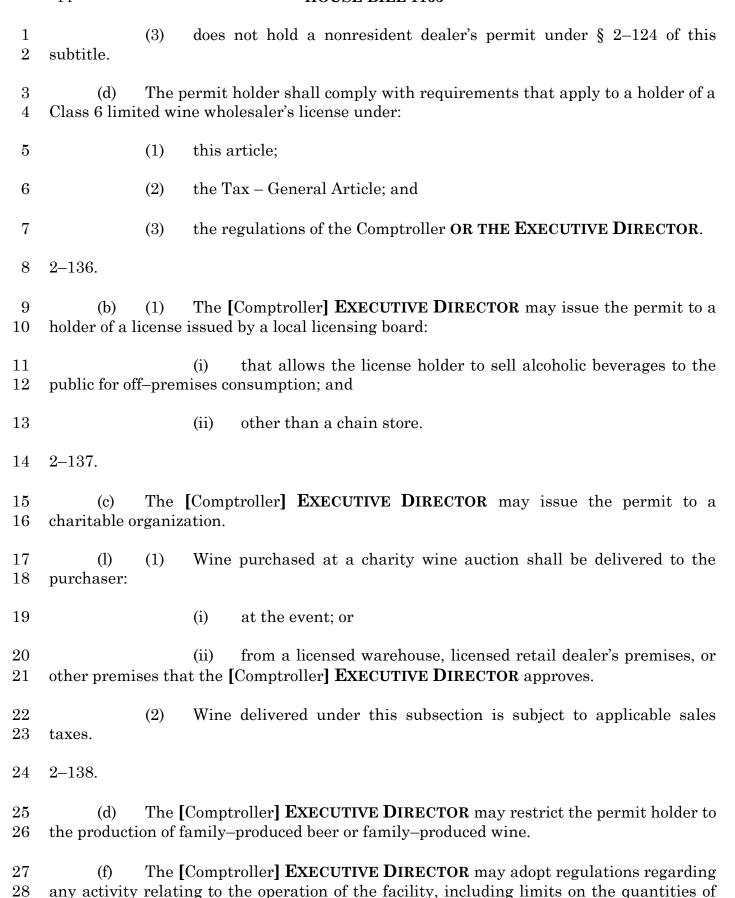
off-site permit holders that will attend.



the [Comptroller] **EXECUTIVE DIRECTOR** determines.



beer and wine produced and record keeping.



- 2-139.1
- 2 The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a bona 3
- fide alcohol trade association.
- 4 2-140.
- The [Commission] EXECUTIVE DIRECTOR may issue a brewery special 5 6 event permit to a holder of a Class 5 brewery license or a Class 8 farm brewery license.
- 7 (b) At least 15 days before holding a special event, the license holder shall obtain a permit from the [Commission] EXECUTIVE DIRECTOR by filing a notice of the special 8 9 event on the form that the [Commission] **EXECUTIVE DIRECTOR** provides.
- 10 The permit authorizes the license holder to conduct at the location listed on (c) 11 the license a special event at which the license holder may:
- 12 in a segregated area approved by the [Commission] EXECUTIVE
- **DIRECTOR** at the location listed on the license, store the products of other Maryland 13
- 14 breweries.
- 15 2-143.
- 16 A person shall be issued a direct wine shipper's permit by the [Comptroller]
- 17 **EXECUTIVE DIRECTOR** before the person may engage in shipping wine directly to a
- 18 consumer in the State.
- 2-145.19
- 20 An applicant for a direct wine shipper's permit shall: (a)
- submit to the [Comptroller] EXECUTIVE DIRECTOR a completed 21(1) 22application on a form that the [Comptroller] **EXECUTIVE DIRECTOR** provides;
- 23 provide to the [Comptroller] **EXECUTIVE DIRECTOR** a copy of the (2)24applicant's current license;
- 25 identify the wines manufactured by the applicant that the applicant 26 intends to ship into the State; and
- 27 **(4)** pay a fee of \$200 for initial issuance of the direct wine shipper's permit.
- The [Comptroller] **EXECUTIVE DIRECTOR** shall issue a direct wine shipper's 28 permit to each applicant who meets the requirements of this part for the permit. 29

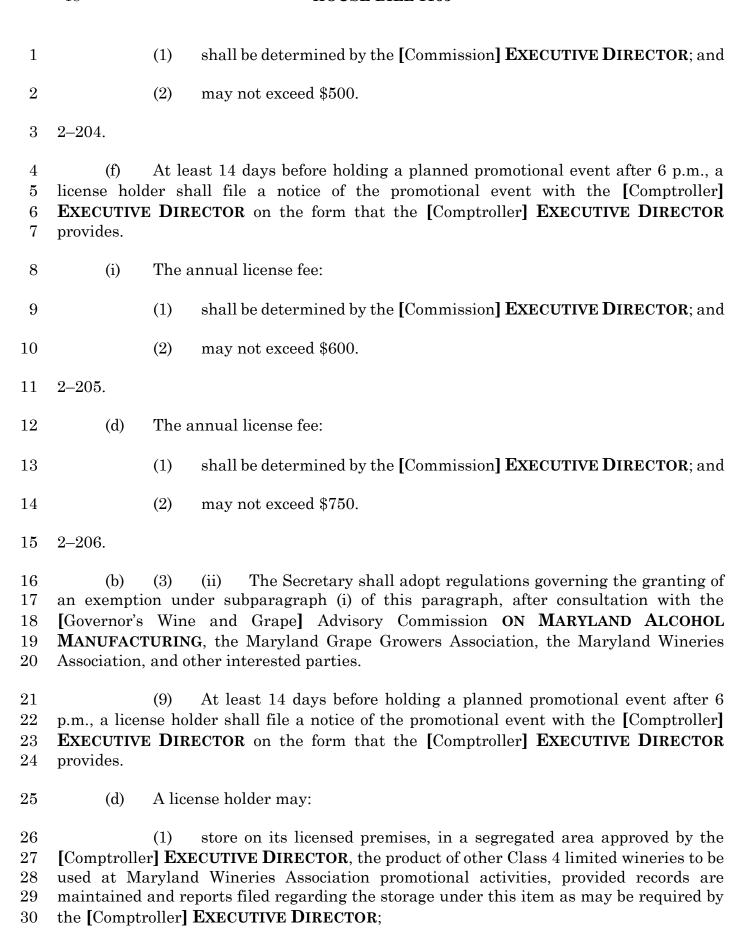
- 1 2–148.
- 2 (a) A direct wine shipper shall:
- 3 (2) report to the Comptroller AND THE EXECUTIVE DIRECTOR
  4 information about the direct wine shipper's wine shipments, in a manner that the
  5 Comptroller [determines] AND THE EXECUTIVE DIRECTOR DETERMINE;
- 6 (6) allow the Comptroller **AND THE EXECUTIVE DIRECTOR** to perform an audit of the direct wine shipper's records on request; and
- 8 (7) consent to the jurisdiction of the Comptroller, THE EXECUTIVE 9 DIRECTOR, or other State unit and the State courts concerning enforcement of this section and any related law.
- 11 2–149.
- 12 (a) A direct wine shipper may renew its direct wine shipper's permit each year if 13 the direct wine shipper:
- 14 (2) provides to the [Comptroller] **EXECUTIVE DIRECTOR** a copy of its 15 current permit;
- 16 (4) pays to the [Comptroller] **EXECUTIVE DIRECTOR** a renewal fee of \$200.
- 18 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may deny a renewal application 19 of a direct wine shipper who fails to:
- 20 (1) file a tax return required under this part;
- 21 (2) pay a fee or tax when due; or
- 22 (3) after receiving notice, comply with this article or a regulation that the 23 Comptroller **OR EXECUTIVE DIRECTOR** adopts [under this article].
- 24 2–151.
- 25 (g) At the time of initial application for a common carrier permit and on request 26 of the [Comptroller] **EXECUTIVE DIRECTOR**, a common carrier shall submit to the 27 [Comptroller] **EXECUTIVE DIRECTOR** information concerning the training of its drivers 28 in verifying the age of recipients of direct wine shipments under this part.
- 29 (h) At least once each year, in a manner acceptable to the [Comptroller] 30 **EXECUTIVE DIRECTOR**, a holder of a common carrier permit shall verify that the shipper of wine into the State under this part holds a valid direct wine shipper's permit.

1 2-152.2 A common carrier shall report quarterly to the [Comptroller] **EXECUTIVE** (a) 3 **DIRECTOR:** 4 (1) the date of each delivery of wine in the State; and 5 the name and address of the direct wine shipper and the receiving 6 consumer of each delivery. 7 2-158.8 The permit authorizes the holder to conduct an alcohol awareness program as 9 certified by the [Comptroller] **EXECUTIVE DIRECTOR** under § 4–505 of this article. 10 2-164.The [Comptroller] EXECUTIVE DIRECTOR shall issue the permit 11 (e) (2)12 without the payment of a fee to: 13 (i) a charitable organization; or 14 a holder of a fuel-alcohol permit. (ii) 15 2-201.16 Each license specified in this subtitle is a manufacturer's license that the 17 [Commission] **EXECUTIVE DIRECTOR** issues. 2-202.18 19 At least 14 days before holding a planned promotional event after 6 p.m., a 20 license holder shall file a notice of the promotional event with the [Comptroller] 21 EXECUTIVE DIRECTOR on the form that the [Comptroller] EXECUTIVE DIRECTOR 22provides. 23 (k) The annual license fee: 24(1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and 25 (2) may not exceed \$2,000. 2-203.26

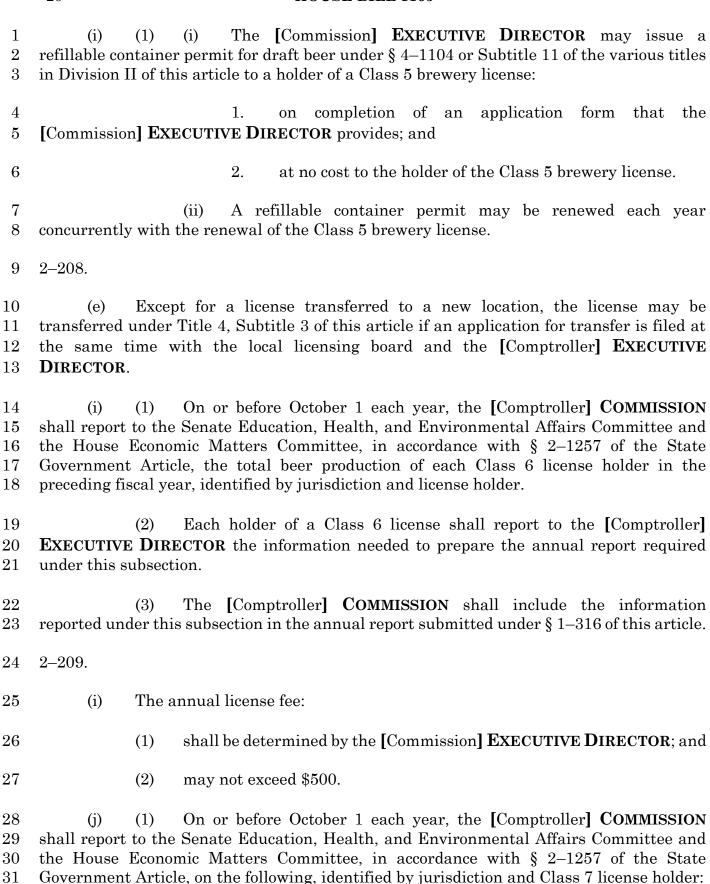
The annual license fee:

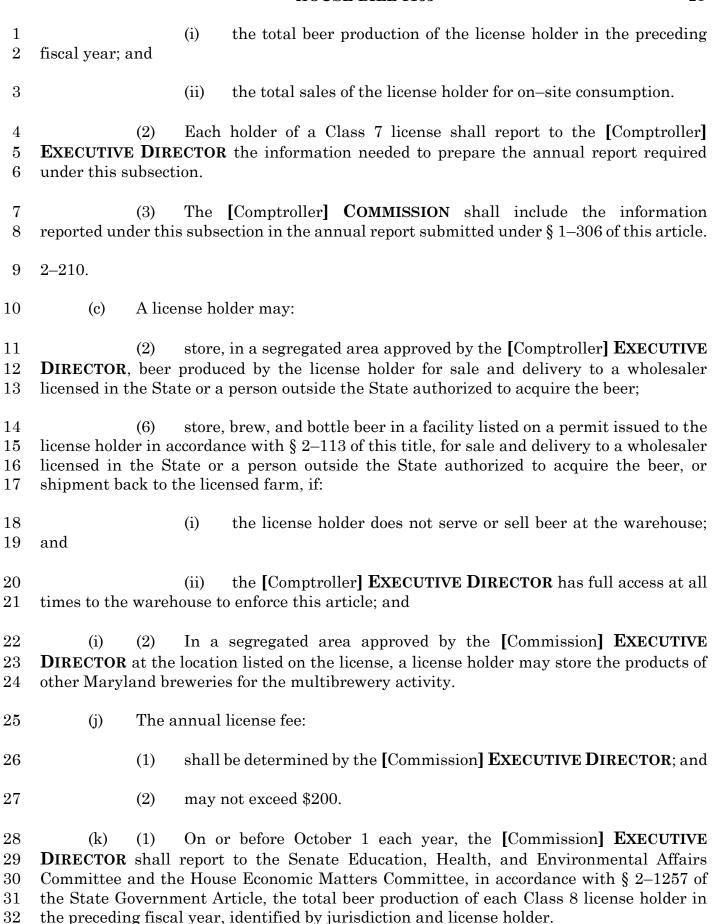
27

(g)



$\frac{1}{2}$	(2) distill and bottle not more than 1,900 gallons of pomace brandy made from available Maryland agricultural products;	
3 4 5 6		(3) purchase bulk wine fermented by a manufacturer licensed under this blend the wine with the license holder's wine and pomace brandy if the urchase does not exceed 25% of the license holder's annual wine and pomace uction;
7		(4) purchase pomace brandy only for blending with wine;
8 9	with this see	(5) import, export, and transport its wine and pomace brandy in accordance etion; and
10 11	holder has b	(6) produce wine and pomace brandy at a warehouse for which the license een issued an individual storage permit, if:
12 13	at a wareho	(i) the license holder does not serve or sell wine or pomace brandy use to the public; and
14 15	times to the	(ii) the [Comptroller] <b>EXECUTIVE DIRECTOR</b> has full access at all warehouse to enforce this article.
16 17 18	(f) Comptroller may:	If a license holder maintains the records and files the reports that the [requires] AND THE EXECUTIVE DIRECTOR REQUIRE, the license holder
19 20	federally bo	(1) in the State, conduct winemaking and packaging activities at another nded winery or limited winery; or
21 22	than fermer	(2) outside the State, conduct winemaking and packaging activities, other tation, at another federally bonded winery.
23	(h)	The annual license fee:
24		(1) shall be determined by the [Commission] <b>EXECUTIVE DIRECTOR</b> ; and
25		(2) may not exceed \$200.
26	2–207.	
27	(e)	The annual licenses fee:
28		(1) shall be determined by the [Commission] <b>EXECUTIVE DIRECTOR</b> ; and
29		(2) may not exceed \$1,500.





- 1 (2) Each holder of a Class 8 license shall report to the [Commission]
  2 EXECUTIVE DIRECTOR the information needed to prepare the annual report required
  3 under this subsection.

  4 (3) The [Commission] EXECUTIVE DIRECTOR shall include the
  5 information reported under this subsection in the annual report submitted under § 1–316
- 7 2–213.

of this article.

- 8 (a) In addition to any license fee otherwise required under this article, an 9 applicant for initial issuance of a manufacturer's license shall pay to the [Comptroller] 10 **EXECUTIVE DIRECTOR** a nonrefundable application fee of \$200.
- 11 (b) In addition to any license fee otherwise required under this article, an 12 applicant for renewal of a manufacturer's license shall pay to the [Comptroller] 13 **EXECUTIVE DIRECTOR** a renewal fee of \$30.
- 14 2–219.
- 15 (b) A holder of a manufacturer's license may sell and deliver a product produced 16 under the holder's license to an individual located in the State if:
- 17 (4) the deliverer and the individual receiving the delivery each endorse a 18 delivery form that the [Commission] **EXECUTIVE DIRECTOR** approves at the time of 19 delivery certifying that:
- 20 (i) the individual receiving the delivery claimed to be at least 21 years old and the claim was supported by documentary evidence;
- 22 (ii) the individual receiving the delivery knew that it is a criminal offense for alcoholic beverages to be given to an individual under the age of 21 years; and
- 24 (iii) the deliverer examined the recipient's identification.
- 25 (c) A holder of a manufacturer's license may directly ship alcohol to a consumer 26 on request, if the [Commission] **EXECUTIVE DIRECTOR** authorizes the direct shipment 27 after determining that:
- 28 (1) the shipment can be completed safely using a common carrier in accordance with other applicable laws; and
- 30 (2) all applicable sales and excise taxes are paid.
- 31 2-301.

- Each license specified in this title is a wholesaler's license that the [Comptroller]
  EXECUTIVE DIRECTOR issues.

  3 2-302.
- 4 (d) The license holder may use an additional location for the warehousing, sale, 5 and delivery of beer, wine, and liquor:
- 6 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following submission of a separate application for each location; and
- 8 (2) on the payment of a \$2,000 fee for each additional location.
- 9 2–303.
- 10 (d) The license holder may use an additional location for the warehousing, sale, and delivery of wine and liquor:
- 12 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following submission of a separate application for each location; and
- 14 (2) on the payment of a \$1,750 fee for each additional location.
- 15 2–304.
- 16 (d) The license holder may use an additional location for the warehousing, sale, and delivery of beer and wine:
- 18 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following 19 submission of a separate application for each location; and
- 20 (2) on the payment of a \$1,500 fee for each additional location.
- 21 2–305.
- 22 (d) The license holder may use an additional location for the warehousing, sale, 23 and delivery of beer:
- 24 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following submission of a separate application for each location; and
- 26 (2) on the payment of a \$1,250 fee for each additional location.
- 27 2–306.

- 1 (d) The license holder may use an additional location for the warehousing, sale, 2 and delivery of wine:
  3 (1) if approved by the [Comptroller] EXECUTIVE DIRECTOR following
- 4 submission of a separate application for each location; and
- 5 (2) on the payment of a \$1,250 fee for each additional location.
- 6 2–307.
- 7 (e) The license holder may use an additional location for the warehousing, sale, 8 and delivery of wine:
- 9 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following submission of a separate application for each location; and
- 11 (2) on the payment of a \$50 fee for each additional location.
- 12 2–308.
- 13 (e) The license holder may use an additional location for the warehousing, sale, and delivery of beer:
- 15 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following submission of a separate application for each location; and
- 17 (2) on the payment of a \$50 fee for each additional location.
- 18 2–308.1.
- 19 (e) The license holder may use an additional location for the warehousing, sale, 20 and delivery of liquor:
- 21 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following 22 submission of a separate application for each location; and
- 23 (2) on the payment of a \$100 fee for each additional location.
- 24 2-312.
- 25 (a) Subject to subsection (b) of this section, a holder of a wholesaler's license may 26 directly import alcoholic beverages of the type indicated on the license from outside the 27 continental limits and possessions of the United States if the brand owner provides notice 28 to the [Comptroller] **EXECUTIVE DIRECTOR** of the license holder's jurisdiction and 29 authority to sell the alcoholic beverages.
- 30 2-401.

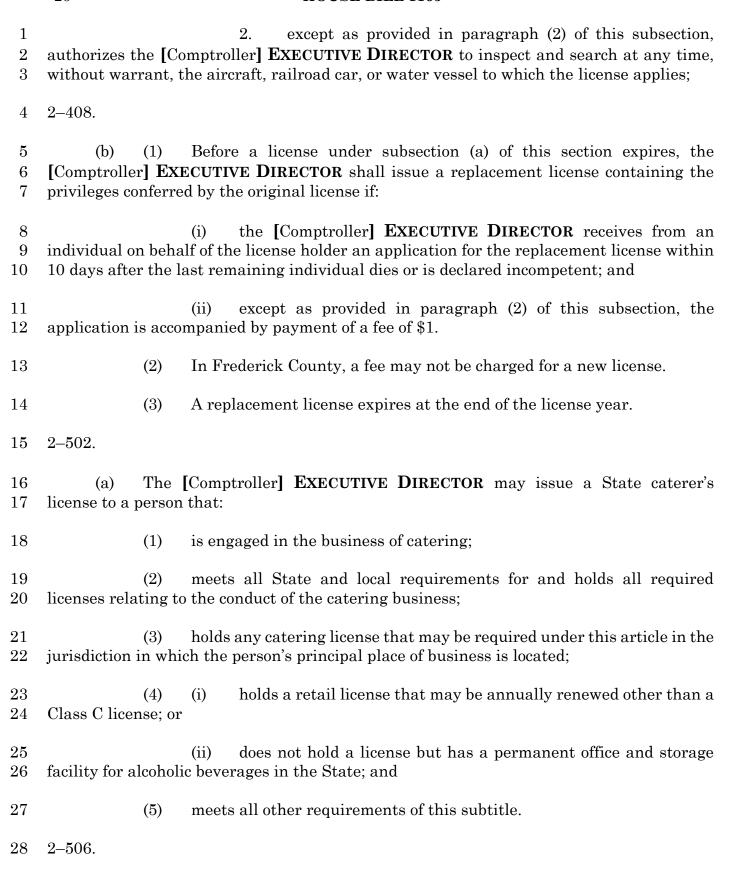
1 A license or permit is not required for a transport plane furnished with a cocktail 2 lounge or a water vessel carrying passengers or cargo to a foreign port if: 3 (1) alcoholic beverages are purchased from a manufacturer or wholesaler; 4 and 5 (2)satisfactory evidence is submitted in writing to the [Comptroller] 6 EXECUTIVE DIRECTOR that the alcoholic beverages are for sale or use beyond the 7 continental limits and possessions of the United States. 8 2-402.9 There is a Class E (water vessel) beer, wine, and liquor license issued by the [Comptroller] **EXECUTIVE DIRECTOR**. 10 2-404.11 12 There is a Class F (railroad) beer and light wine license issued by the [Comptroller] **EXECUTIVE DIRECTOR**. 13 14 2-405.15 There is a Class F (railroad) beer, wine, and liquor license issued by the [Comptroller] **EXECUTIVE DIRECTOR**. 16 17 2-406.18 There is a Class G (aircraft) beer, wine, and liquor license issued by the 19 [Comptroller] **EXECUTIVE DIRECTOR**. 202-407.21An applicant for a Class E, Class F, or Class G license shall submit to (1) the [Comptroller] EXECUTIVE DIRECTOR an application in the form that the 22 [Comptroller] **EXECUTIVE DIRECTOR** provides. 2324(2) An application shall be made under oath. 25(d) An application shall contain: (1) 26 a statement that the entity for which the license is sought: (vi)

consents to the issuance of the license; and

1.

30

sold or provided at a catered event:



If a local licensing board determines that alcoholic beverages were unlawfully

1 the local licensing board shall report its findings to the [Comptroller] (1) 2 EXECUTIVE DIRECTOR; and 3 the [Comptroller] **EXECUTIVE DIRECTOR** shall take the action the [Comptroller] **EXECUTIVE DIRECTOR** determines is appropriate. 4 5 3-101.6 An application for a manufacturer's license, wholesaler's license, Class E (water 7 vessel) license, Class F (railroad) license, Class G (airplane) license, or statewide caterer's license shall be filed with the [Comptroller] **EXECUTIVE DIRECTOR**. 8 9 3-107.10 The [Comptroller] **EXECUTIVE DIRECTOR** may retain from the license and permit 11 fees that are collected an amount to pay for: 12 (1) the cost of refunds issued in accordance with § 3–108(b) of this subtitle; 13 and 14 [Comptroller] (2)the administrative expenses incurred by the 15 **EXECUTIVE DIRECTOR** to discharge its duties under this article. 16 3-108.A refund shall be issued to a license holder on surrender of the license if: 17 (b) 18 the issuance of a license by the [Comptroller] **EXECUTIVE DIRECTOR** is reversed on judicial review and the operation of the establishment is prohibited, with the 19 20 refund issued to the license holder in an amount based on the date that the refusal to grant 21the renewal becomes final; or 223-201.23 The [Comptroller] EXECUTIVE DIRECTOR shall issue each license that (a) 24applies statewide. 25 3-202.On receipt of an application, the [Comptroller] EXECUTIVE DIRECTOR shall 26order an investigation of: 27

the applicant;

the business to be operated; and

(1)

(2)

28

1 (3) the statements presented in the license application. 2 On completion of the investigation, the [Comptroller] EXECUTIVE (b) 3 **DIRECTOR** shall deny the license application: if the [Comptroller] EXECUTIVE DIRECTOR determines that the 4 (1) applicant: 5 6 (i) is not a fit person to receive the license; 7 (ii) made a material false statement in the application; or 8 (iii) acted fraudulently in connection with the application; or 9 for other reasons that the [Comptroller] EXECUTIVE DIRECTOR (2)considers sufficient. 10 11 If the [Comptroller] **EXECUTIVE DIRECTOR** does not find cause to deny the (c) license, the [Comptroller] **EXECUTIVE DIRECTOR** shall approve the application and issue 12 13 the license. 14 In addition to any license fee otherwise required under this article, an (d) (1) 15 applicant for the initial issuance of a manufacturer's or wholesaler's license under Title 2, Subtitle 2 or 3 of this article shall pay to the [Comptroller] **EXECUTIVE DIRECTOR** a 16 17 nonrefundable application fee of \$200. 18 The application fee under this subsection does not apply to a license for 19 which payment of an annual license fee is not otherwise required under this article. 20 3-203.21A statewide license shall be on the form that the [Comptroller] **EXECUTIVE** (a) 22**DIRECTOR** provides. 23 The [Comptroller] EXECUTIVE DIRECTOR shall number each statewide (b) license. 2425 3-204.26Except as otherwise provided in this article, a license issued by the [Comptroller]

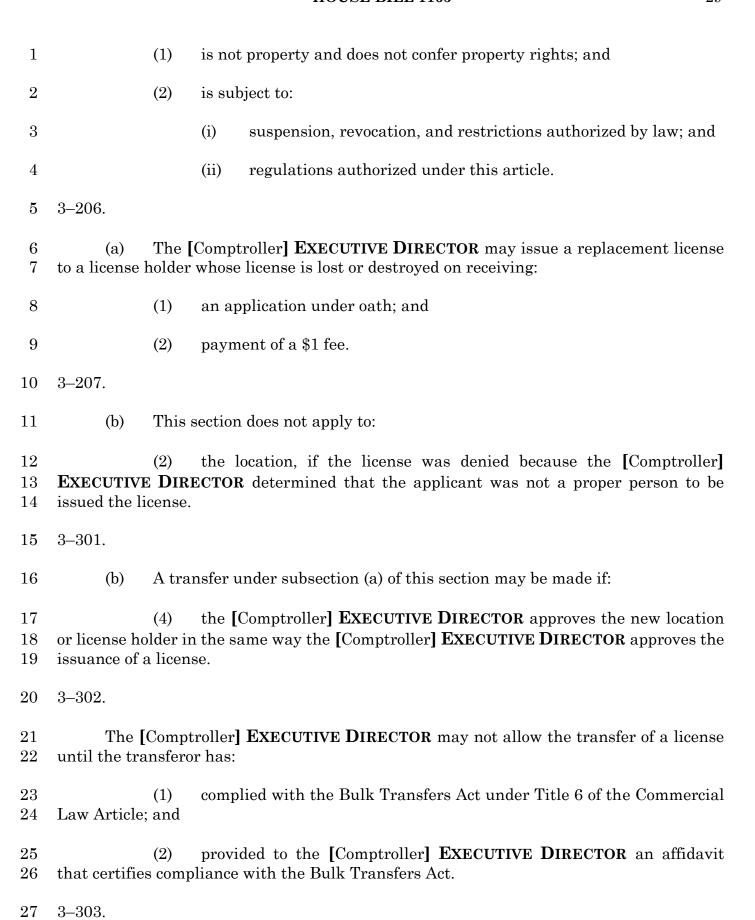
EXECUTIVE DIRECTOR shall be dated as of the date of issuance and shall expire on the

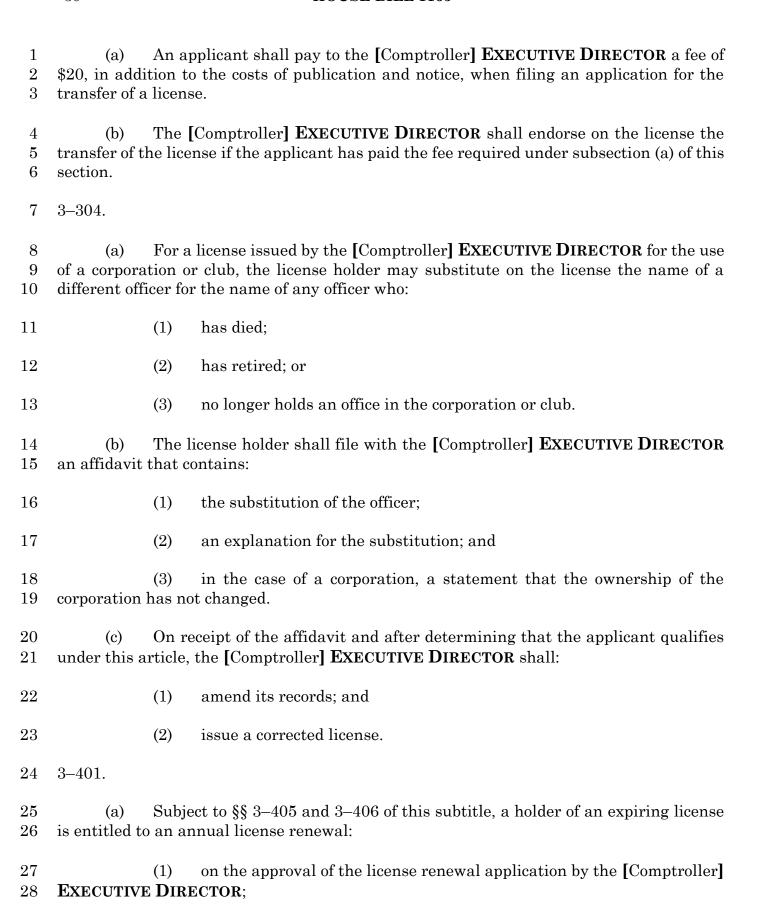
29 3–205.

next April 30 after its issuance.

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A license issued by the [Comptroller] **EXECUTIVE DIRECTOR**:





- 1 (2)on payment of the annual license fee; and 2 without filing or providing more information unless specifically (3)3 requested by the [Comptroller] **EXECUTIVE DIRECTOR**. 4 Except as provided in §§ 3-406(a) and 3-407(c) of this subtitle, the 5 [Comptroller] **EXECUTIVE DIRECTOR** shall consider an application for license renewal in 6 the same manner as for an original application. 7 In addition to any license fee otherwise required under this article, an (1)8 applicant for renewal of a manufacturer's or wholesaler's license under Title 2, Subtitle 2 or 3 of this article shall pay to the [Comptroller] **EXECUTIVE DIRECTOR** a renewal fee of 9 10 \$30. The renewal fee under this subsection does not apply to a license for (2)11 12 which payment of an annual license fee is not otherwise required under this article. 3-402.13 14 To renew a license, the license holder annually shall file a written application, under oath, with the [Comptroller] EXECUTIVE DIRECTOR. 15 16 3-404.17 The [Comptroller] EXECUTIVE DIRECTOR may not require the consent statement under subsection (a)(2) of this section for a retail dealer applying for renewal if: 18 19 (1)the owner signed a comparable consent statement in connection with 20an original or previous license renewal application; 21(2)the consent statement under item (1) of this subsection is in effect for the term of the owner's lease with the applicant; and 2223 (3)the lease does not expire during the term of the license renewal. 243-405.25 (b) If a protest against renewing a license is filed at least 30 days before
- 28 (2) The [Comptroller] **EXECUTIVE DIRECTOR** shall hear and determine 29 the protest in the same manner as the [Comptroller] **EXECUTIVE DIRECTOR** hears and determines an original application.

the license expires, the [Comptroller] **EXECUTIVE DIRECTOR** may not approve the

31 3–406.

renewal without holding a hearing.

26

## 1 (a) The [Comptroller] **EXECUTIVE DIRECTOR**:

- 2 (1) may not renew a license if the [Comptroller] **EXECUTIVE DIRECTOR** 3 determines that the license holder is not qualified to obtain a license renewal; but
- 4 (2) shall issue to the license holder by way of renewal the class or type of license for which the [Comptroller] **EXECUTIVE DIRECTOR** determines the license holder is qualified.
- 7 (b) (1) Subject to paragraph (2) of this subsection, the [Comptroller] 8 **EXECUTIVE DIRECTOR** shall deny a license renewal application if during the license year 9 the license holder was convicted of a State or federal offense that, in the judgment of the [Comptroller] **EXECUTIVE DIRECTOR**, renders the license holder unfit or unqualified to obtain a renewed license.

### (2) The [Comptroller] **EXECUTIVE DIRECTOR**:

- 13 (i) shall hold a public hearing before renewing a license under the circumstances described in paragraph (1) of this subsection; and
- 15 (ii) may inquire into all relevant facts and circumstances concerning 16 the offense at the hearing.
- 17 3–407.

12

- 18 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may issue renewed licenses for 19 the following license year between April 15 and May 1, inclusive.
- 20 (c) If an expiring license is subject to an order of restriction or suspension, the 21 [Comptroller] **EXECUTIVE DIRECTOR** shall issue the corresponding license renewal 22 subject to the same order.
- 23 3-504.

# 24 (c) The [Comptroller] **EXECUTIVE DIRECTOR**:

- 25 (1) shall approve, certify, and issue an alcohol awareness program permit 26 to each alcohol awareness program that complies with this section; and
- 27 (2) may require recertification of the approved alcohol awareness program 28 to ensure compliance with changes in the program.
- 29 (g) The [Comptroller] **EXECUTIVE DIRECTOR** may decertify the alcohol 30 awareness program of an alcohol awareness program provider who violates subsection (c), 31 (d), or (f) of this section.

- 3-601. 1 2 The [Comptroller] EXECUTIVE DIRECTOR may revoke or suspend a license or permit that the [Comptroller] EXECUTIVE DIRECTOR issues in accordance with this 3 subtitle. 4 5 3-602.6 Revocation or suspension procedures may be started: (a) 7 by the [Comptroller] **EXECUTIVE DIRECTOR**, at the [Comptroller's] (1)8 **EXECUTIVE DIRECTOR'S** initiative: 9 on the complaint of a deputy or an inspector that the [Comptroller] 10 **EXECUTIVE DIRECTOR** employs to administer this article: 11 (3)on the complaint of a peace officer; 12 if the license holder or permit holder is located in a municipality that is (4) 13 within a county, on the complaint of the mayor and council of the municipality; or 14 on the written complaint of at least 10 residents, real estate owners, or 15 voters of the precinct in which the licensed premises is located. 16 (c) The [Comptroller] EXECUTIVE DIRECTOR may immediately suspend a license or permit for a violation of record-keeping or reporting requirements under § 1–408 17 of this article. 18 3-603.19 20 The [Comptroller] **EXECUTIVE DIRECTOR** may revoke or suspend a license (a) 21or permit: 22for any reason to promote the peace or safety of the community in which (1) 23the premises are located; or 24(2) for offenses as provided in this article.
- 27 (1) conviction of the license holder or permit holder for violation of this article or a provision of the Tax General Article that relates to the alcoholic beverage tax;

or, except as provided in § 3–606 of this subtitle, suspend a license or permit for:

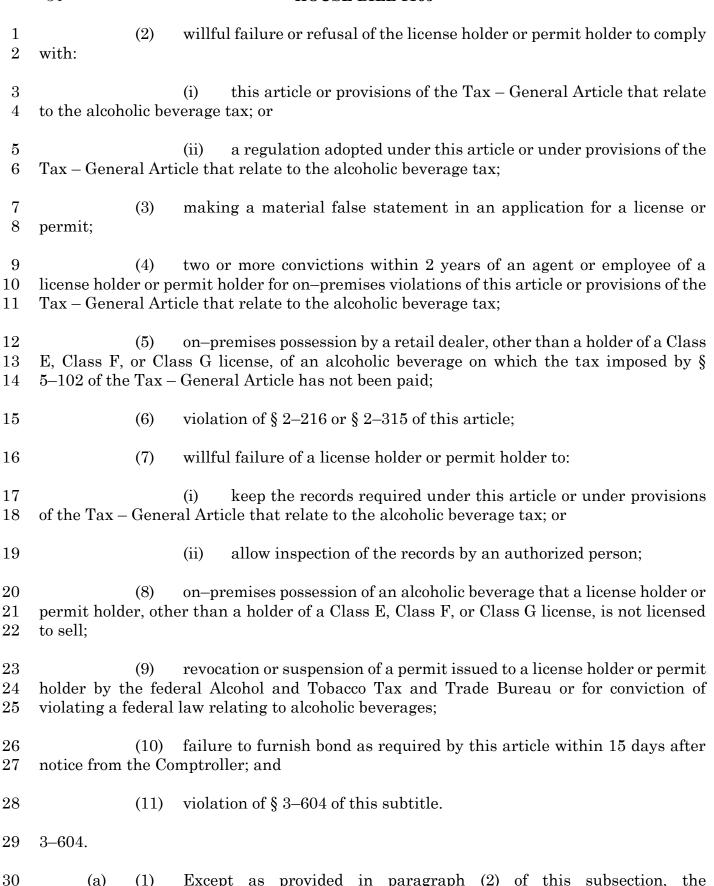
The [Comptroller] **EXECUTIVE DIRECTOR** shall revoke a license or permit

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(a)

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(1)



Except as provided in paragraph (2) of this subsection, the

[Comptroller] **EXECUTIVE DIRECTOR** shall revoke a license or permit if, after a hearing

- under § 3–602(b) of this subtitle, an activity listed in this section is found to have occurred on the licensed premises.
- 3 3–605.
- 4 (a) After revoking a license or permit, the [Comptroller] **EXECUTIVE** 5 **DIRECTOR**:
- 6 (1) may not issue another license or permit to the person whose license or 7 permit is revoked;
- 8 (2) may not issue any license or permit for the same premises for 6 months 9 after the revocation; and
- 10 (3) may decide not to issue another license or permit for the same premises.
- 11 3–606.
- 12 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may accept the offer of 13 compromise if:
- 14 (1) the public welfare and morals would not be impaired by allowing the license holder or permit holder to operate during the period set for the suspension; and
- 16 (2) the payment of the money will achieve the desired disciplinary 17 purposes.
- 18 3–701.
- 19 (b) Except as otherwise provided in this subtitle, a license issued by the 20 [Comptroller] **EXECUTIVE DIRECTOR** expires on the 10th day after a license holder has 21 vacated or been evicted from the licensed premises.
- 22 3–703.
- A license issued by the [Comptroller] **EXECUTIVE DIRECTOR** for a premises acquired for public use shall expire 180 days after acquisition unless an application is pending or has been approved for:
- 26 (1) a transfer of the license to another location or another person, subject 27 to Subtitle 3 of this title; or
- 28 (2) a certificate of permission or a renewal license for continuation of 29 business, subject to § 3–802 of this title.
- 30 3–704.

- 1 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may postpone the expiration of a license that the [Comptroller] **EXECUTIVE DIRECTOR** issues for an additional period to avoid hardship.
- 4 3–802.
- 5 (a) Except as provided in § 2–408 of this article, on application to the 6 [Comptroller] EXECUTIVE DIRECTOR and payment of a fee of \$1 by the personal 7 representative or special administrator of the estate of a deceased license holder, the 8 [Comptroller] EXECUTIVE DIRECTOR may grant a certificate of permission for the 9 continuation of the business in the name of the personal representative or special 10 administrator for the benefit of the estate of the deceased license holder.
- 11 (b) (1) The certificate of permission may be granted for a period not exceeding 12 18 months after the date of the granted permission unless the license expires earlier.
- 13 (2) If the license expires earlier than 18 months after the date of the 14 granted permission, the [Comptroller] **EXECUTIVE DIRECTOR** may issue a renewal 15 license on application by the personal representative or special administrator for a period 16 not exceeding 18 months after the death of the license holder.
- 17 3–803.
- 18 (a) The personal representative or special administrator to whom a certificate of permission has been granted may apply to the [Comptroller] **EXECUTIVE DIRECTOR** for the transfer of the license for the benefit of the estate of the license holder.
- 21 3-901.
- A person aggrieved by a final decision of the [Comptroller] **EXECUTIVE DIRECTOR** in a contested case under this title may seek judicial review in accordance with the Administrative Procedure Act.
- 25 4–108.
- An applicant shall file a sworn application for a license with the applicable local licensing board on the form that the [Comptroller] **EXECUTIVE DIRECTOR** requires.
- 28 4-109.
- 29 (b) The application shall also include a statement executed and acknowledged by 30 the owner of the location where the business is to be conducted that:
- 31 (1) agrees to the issuance of the license; and

1 (2) authorizes a warrantless inspection and search of the premises at any 2 time in any part of the building in which the business is to be conducted by: 3 (i) the Comptroller; the [Commission] **EXECUTIVE DIRECTOR**; 4 (ii) 5 (iii) the local licensing board and its authorized agents and 6 employees; or 7 (iv) a peace officer of the county or municipality where the business 8 is to be located. 9 4-206.10 A local licensing board may issue a license for use in premises in which (c) (1)11 more than 10,000 square feet of floor space is devoted to the sale of alcoholic beverages for 12 off-premises consumption, if the local licensing board: 13 (i) holds a public hearing: determines that the issuance of the license: 14 (ii) 15 1. would serve the public need; and 16 2. would not adversely impact existing retail license holders in the immediate vicinity of the premises, including those license holders that may be in a 17 18 contiguous county or city; and 19 obtains from the [Comptroller] EXECUTIVE DIRECTOR a (iii) 20 written report in which the [Comptroller] EXECUTIVE DIRECTOR determines that the issuance of the license: 2122would not adversely affect the orderly distribution of 1. 23 alcoholic beverages in the State; and 242. would comply with all applicable provisions of this article 25relating to the issuance of multiple licenses. 26 If the [Comptroller] EXECUTIVE DIRECTOR determines that an 27application submitted under this subsection does not meet the criteria provided under paragraph (1)(iii) of this subsection, the local licensing board may not issue the license. 2829 4-505.

The [Comptroller] **EXECUTIVE DIRECTOR**:

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(c)

- 1 (1) shall approve, certify, and issue an alcohol awareness program permit 2 to each alcohol awareness program that complies with this section; and
- 3 (2) may require recertification of the approved alcohol awareness program 4 to ensure compliance with changes in the program.
- 5 (g) The [Comptroller] **EXECUTIVE DIRECTOR** may decertify the alcohol awareness program of an alcohol awareness program provider who violates subsection (c), 7 (d), or (f) of this section.
- 8 4–1104.
- 9 (d) (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt standards regarding containers that qualify for use as refillable containers for beer, including containers originating from outside the State.
- 12 (3) The holder of a refillable container permit may refill a refillable container originating from inside or outside the State that meets the standards adopted by the [Comptroller] **EXECUTIVE DIRECTOR** under paragraph (2) of this subsection.
- 15 4–1105.
- 16 (d) (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt standards regarding containers that qualify for use as refillable containers for wine, including containers originating from outside the State.
- 19 (3) The holder of a refillable container permit may refill a refillable 20 container originating from inside or outside the State that meets the standards adopted by 21 the [Comptroller] **EXECUTIVE DIRECTOR** under paragraph (2) of this subsection.
- 22 4-1202.
- 23 (b) An application for a per diem license shall be:
- 24 (1) on the form that the [Comptroller] **EXECUTIVE DIRECTOR** requires;
- 25 and
- 26 (2) signed and sworn to by the applicant.
- 27 5–303.
- 28 (b) A keg license holder may not sell or otherwise transfer, or offer to sell or 29 otherwise transfer, the contents of a keg for off–premises consumption unless:
- 30 (1) the keg license holder provides to the purchaser a keg registration form 31 approved and distributed by the [Comptroller] **EXECUTIVE DIRECTOR** that is designed

1 to be affixed to the keg and that indicates the name and address of the licensed establishment and a registration number; 2 3 except as provided in § 26–103 of this article, the purchaser provides 4 identification and completes and signs a registration form with the following information: 5 (i) the purchaser's name and address as shown on the identification produced; and 6 7 the date of purchase; and (ii) 8 (3)the keg license holder affixes the completed registration form to the keg 9 and retains a copy of the form for 30 days on the licensed premises. 6-101.10 11 (c) (2)(i) A vehicle, a vessel, or an aircraft that is seized as contraband is 12forfeited unless a protest is filed within 30 days after the publication under subparagraph 13 (ii) of this paragraph. The Comptroller or the [Commission] **EXECUTIVE DIRECTOR**, 14 (ii) 15 as appropriate: 16 1. if possible, shall notify the registered owner of the 17 property of the seizure; and 18 2. shall publish a notice: 19 in a newspaper of general circulation in the county where A. the vehicle, vessel, or aircraft was seized: and 20 21B. informing interested persons of the seizure and the right 22to file a protest. 23 6-103.24A vehicle, a vessel, or an aircraft used with the express or implied knowledge or 25consent of its owner to violate a provision of this article relating to the unlawful 26 manufacture of alcoholic beverages or to transport, store, or hide unlawful alcoholic 27 beverages: 28(1) is contraband; and 29(2)may be seized by:

the Comptroller or the Comptroller's authorized enforcement

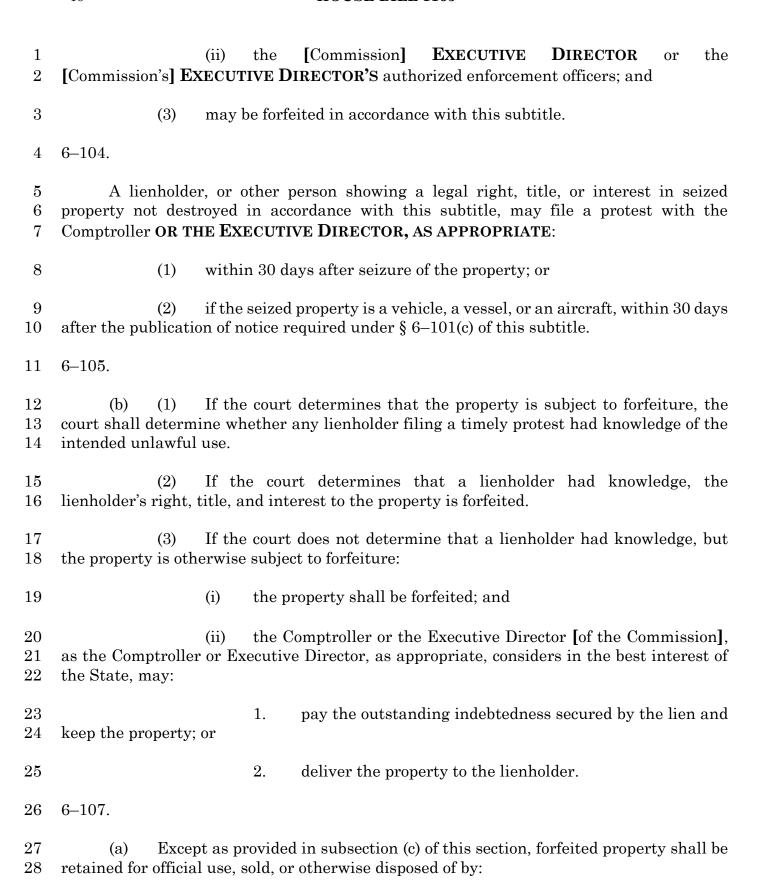
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officers; or

(i)

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the Comptroller or the Executive Director [of the Commission], as

appropriate, if the property was seized by State officers; or

1	(2) if the property was not seized by State officers:		
2	(i) the Mayor and City Council of Baltimore City; or		
3 4	(ii) the board of county commissioners or the county council of the county in which the property was seized.		
5 6 7 8	(b) The Comptroller, the Executive Director [of the Commission], the Mayor and City Council of Baltimore City, or the board of county commissioners or county council in the county where the property was seized shall retain or dispose of the property in the way it considers to be in the best public interest.		
9	6–108.		
10 11	(b) The officer shall report the seizure and destruction conducted under this section to the [Field Enforcement Division of the Commission] <b>EXECUTIVE DIRECTOR</b> .		
12	6–202.		
13 14 15	(a) A building, vehicle, or premises where alcoholic beverages are authorized to be kept, transported, manufactured, or sold under a license or permit may be inspected and searched, without a warrant, by:		
16 17	(1) the Comptroller or an authorized deputy, inspector, or clerk of the Comptroller;		
18 19 20	(2) the Executive Director [of the Commission] or an authorized deputy, inspector, [or] clerk [of the Commission], OR OTHER DESIGNEE OF THE EXECUTIVE DIRECTOR;		
21 22	(3) the local licensing board of the county or city where the place of business is located or an authorized agent or employee of the local licensing board; and		
23 24	(4) a peace officer of the county or city where the place of business is located.		
25	6–203.		
26 27 28 29	To prevent and detect fraud by manufacturers, wholesalers, and retail dealers, the [Commission] <b>EXECUTIVE DIRECTOR</b> , the local licensing board, and an authorized deputy or inspector of the [Commission] <b>EXECUTIVE DIRECTOR</b> or the local licensing board:		

- 1 (1) may use hydrometers, saccharometers, weighing and gauging 2 instruments, or other means, records, or devices to ascertain the quantity or quality of alcohol in an alcoholic beverage as they consider necessary; and
- 4 (2) may adopt rules and regulations to establish a uniform system of inspection, marking, and gauging of alcoholic beverages.
- 6 6–204.
- 7 (a) For a hearing or inquiry that the [Commission] **EXECUTIVE DIRECTOR** or a 8 local licensing board may hold or make, the [Commission] **EXECUTIVE DIRECTOR** or a 9 local licensing board may issue summonses for witnesses and administer oaths or affirmations to the witnesses.
- 11 6–205.
- 12 (b) The powers and duties conferred on the Comptroller, the Commission, **THE**13 **EXECUTIVE DIRECTOR,** or any other State official by this article do not relieve local
  14 officials from the duty of enforcement or prosecution.
- 15 6–308.
- 16 (a) This section does not apply to a Class 4 limited winery that brings wine or pomace brandy manufactured on its licensed premises onto a retail licensed premises if:
- 18 (3) the limited winery or winery trade association complies with any 19 regulations that the [Commission] **EXECUTIVE DIRECTOR** adopts relating to 20 on–premises promotions and product sampling;
- 21 6-319.
- 22 (a) This section does not apply to a Class 4 limited winery that brings wine or 23 pomace brandy manufactured on its licensed premises onto a retail licensed premises if:
- 24 (3) the limited winery or winery trade association complies with any 25 regulations that the [Comptroller] **EXECUTIVE DIRECTOR** adopts relating to on–premises 26 promotions and product sampling;
- 27 6–328.
- 28 (a) A person may not:
- 29 (4) violate a regulation that the Comptroller or the [Commission] 30 **EXECUTIVE DIRECTOR** adopts under this article or the Tax General Article.
- 31 9–102.

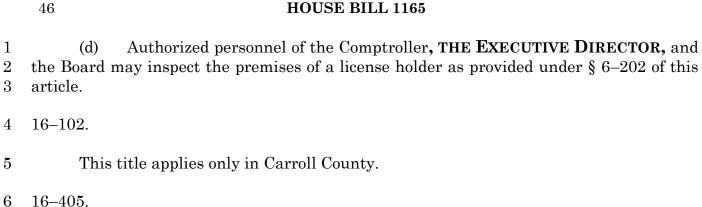
1 This title applies only in Allegany County. 2 9-1403.3 An application shall include: 4 (1)a statement that the applicant is at least 21 years old; 5 (2)a statement that the applicant, for the issuance or renewal of a license, 6 will produce on request all records that an applicant under this article is required to keep: 7 (i) to the Comptroller, a deputy Comptroller, the county sheriff, **THE** 8 **EXECUTIVE DIRECTOR,** or the police of a municipality in the county; or 9 (ii) in a proceeding before the Board or the circuit court for the 10 county relating to the license or business; 11 the names of two persons or the name of a bonding company authorized (3)12 under this article who will act as a surety on the bond required by the county; 13 a statement of all persons interested in the license, including the name 14 of a business entity on whose behalf the license application is made; and 15 (5)certificates of receipt from the County Tax and Utility Office and the 16 State Department of Assessments and Taxation, showing that, for the calendar year 17 immediately before the year for which the license is to be issued, there are no unpaid taxes 18 on the merchandise, fixtures, or inventory for the business due to the State, county, or municipality in which the licensed activity is to be carried on. 19 20 11-102.21 This title applies only in Anne Arundel County. 22 11 - 206.23 (a) (1) The Board may employ: 24(i) one part-time deputy chief inspector at an annual salary of 25\$9,000; and 26 (ii) 18 part–time inspectors at an annual salary of \$7,000 each. 27 (2)Each inspector shall receive a monthly expense allowance of \$300, subject to the approval of the [Comptroller] **EXECUTIVE DIRECTOR**. 28

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11-207.

1	From the fees received, the [Comptroller] <b>EXECUTIVE DIRECTOR</b> shall:		
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4 5			
6 7	(3) at the end of each fiscal year, remit the balance of the fees received to the county for the general purposes of the county.		
8	11–1406.		
9	The Board shall:		
10	(1) collect all license fees required under this article;		
11	(2) issue all licenses in the county; and		
12	(3) remit all fees collected to the [Comptroller] <b>EXECUTIVE DIRECTOR</b> .		
13	11–2102.		
14 15 16 17 18	§ 4–603 of this article, the Board may immediately suspend a license if it is alleged by a person specified under paragraph (2) of this subsection that the license holder has sold or provided alcoholic beverages to an individual under the age of 21 years with such frequency and during such a limited time so as to demonstrate a willful failure to comply with §		
20	(2) An allegation under paragraph (1) of this subsection may be made by:		
21	(i) the Comptroller or an agent or employee of the Comptroller;		
22 23	(ii) THE EXECUTIVE DIRECTOR OR AN AGENT OR EMPLOYEE OF THE EXECUTIVE DIRECTOR;		
24	(III) the Board or an agent or employee of the Board; or		
25	[(iii)] (IV) a peace officer.		
26	12–102.		
27	This title applies only in Baltimore City.		

1 12-403.2 The holder of a Class 7 micro-brewery license may brew in two locations 3 using the same Class 7 micro-brewery license if the license holder: 4 requests permission by submitting a written application to the (i) [Comptroller] **EXECUTIVE DIRECTOR**; and 5 6 obtains written approval from the [Comptroller] EXECUTIVE (ii) 7 DIRECTOR. 8 (3)Before authorizing a holder of a Class 7 micro-brewery license to brew 9 in two locations using the same Class 7 micro-brewery license, the [Comptroller] **EXECUTIVE DIRECTOR** shall: 10 11 (i) make a determination that a second location to brew additional 12 capacity is necessary due to insufficient space at the existing Class 7 license location; and 13 (ii) consider any other factor relevant to approval of the application. 15-102.14 15 This title applies only in Caroline County. 15-1001. 16 17 (i) The license holder shall: 18 (1) maintain records of all catered events, on-premises and off-premises, where alcoholic beverages are served; and 19 20 make the records required under paragraph (1) of this subsection 21 available on request to the Board [or to], the Comptroller, OR THE EXECUTIVE 22 DIRECTOR. 23 15-1309. 24(c) (2) The records shall be: 25(i) maintained on the licensed premises for 2 years; and 26 available for inspection by authorized personnel of the (ii) 27 Comptroller, THE EXECUTIVE DIRECTOR, and the Board.



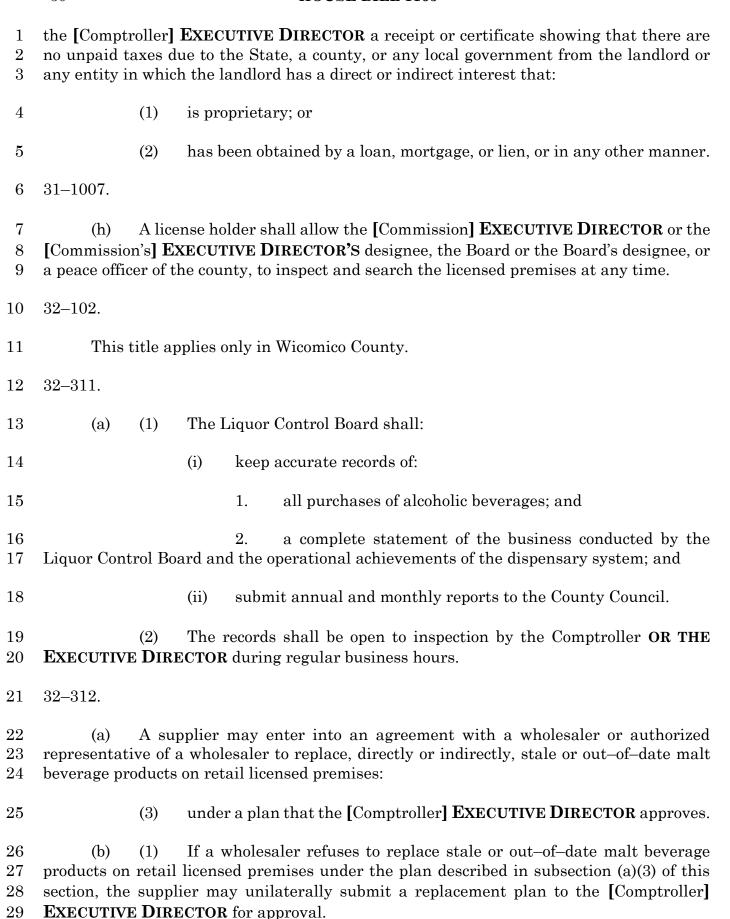
- 7 (b) (4) Notwithstanding paragraph (3) of this subsection, if a micro-brewery 8 was established at its licensed premises before a protected building was established within 300 feet of the micro-brewery, the [Comptroller] **EXECUTIVE DIRECTOR** may renew the 9 license of the micro-brewery. 10
- 11 19-102.
- 12 This title applies only in Dorchester County.
- 13 19-403.
- The [Comptroller] EXECUTIVE DIRECTOR may issue to a single 14 (d) (1) 15 applicant one Class 6 pub-brewery license or one Class 7 micro-brewery license, but not both, for a location in an enterprise zone in the county, if the applicant holds no more than 16 three Class B beer, wine, and liquor licenses. 17
- 18 This subsection does not limit the number of Class 6 pub-brewery licenses that the [Comptroller] **EXECUTIVE DIRECTOR** may issue in the county. 19
- 20 19-404.
- 21 The [Comptroller] EXECUTIVE DIRECTOR may issue to a single (1) 22applicant one Class 6 pub-brewery license or one Class 7 micro-brewery license, but not 23both, for a location in an enterprise zone in the county, if the applicant holds no more than 24three Class B beer, wine, and liquor licenses.
- 25This subsection does not limit the number of Class 7 micro-brewery licenses that the [Comptroller] **EXECUTIVE DIRECTOR** may issue in the county. 26
- 27 20-102.
- 28This title applies only in Frederick County.
- 29 20-1009.
- 30 The Board may issue the license to a person for use in conjunction with: (b)

- 1 (1) a Class 7 micro-brewery license that the person then obtains from the 2 [Comptroller] **EXECUTIVE DIRECTOR**; or
- 3 (2) a Class B beer, wine, and liquor license that the person has been issued 4 by the Board.
- 5 21–102.
- 6 This title applies only in Garrett County.
- 7 21–1311.
- 8 (c) (1) A license holder shall keep complete and accurate records of all 9 alcoholic beverages purchased and sold on the licensed premises.
- 10 (2) The records shall be:
- 11 (i) maintained on the licensed premises for 2 years; and
- 12 (ii) available for inspection by authorized personnel of the 13 Comptroller, THE EXECUTIVE DIRECTOR, and the Board.
- 14 (3) The records shall include a completed pre— and post—inventory of all alcoholic beverages for each individual event.
- 16 (d) Authorized personnel of the Comptroller, THE EXECUTIVE DIRECTOR, and 17 the Board may inspect the premises of a license holder as provided under § 6–202 of this article.
- 19 23–102.
- This title applies only in Howard County.
- 21 23-403.
- 22 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the Class 7
- 23 micro-brewery license not more than 36 months before the restaurant is complete and the
- 24 Class B beer, wine, and liquor (on-sale) license is issued.
- 25 23–902.
- 26 (f) The [Comptroller] EXECUTIVE DIRECTOR may issue one Class 8 farm
- 27 brewery license and one Class 7 micro-brewery license to a license holder that holds not
- 28 more than five Class B and six Class BLX beer, wine, and liquor licenses.
- 29 24-102.

25-405.

1 This title applies only in Kent County. 2 24 - 1310.3 A license holder shall keep complete and accurate records of all (c) (1) alcoholic beverages purchased and sold on the licensed premises. 4 (2) The records shall be: 5 6 (i) maintained on the licensed premises for 2 years; and 7 (ii) available for inspection by authorized personnel of the Comptroller, THE EXECUTIVE DIRECTOR, and the Board. 8 9 The records shall include a completed pre- and post-inventory of all (3)10 alcoholic beverages for each individual event. Authorized personnel of the Comptroller, THE EXECUTIVE DIRECTOR, and 11 12 the Board may inspect the premises of a license holder as provided under § 6-202 of this 13 article. 14 25-102.15 This title applies only in Montgomery County. 25-314. 16 A supplier may enter into an agreement with a wholesaler or an authorized 17 18 representative of a wholesaler to replace, directly or indirectly, stale or out-of-date malt 19 beverage products on retail licensed premises: 20 under a plan that the [Comptroller] **EXECUTIVE DIRECTOR** approves. (3) 21(b) (1) If a wholesaler refuses to replace stale or out-of-date malt beverage 22products on retail licensed premises under the plan described in subsection (a)(3) of this 23 section, the supplier may unilaterally submit a replacement plan to the [Comptroller] **EXECUTIVE DIRECTOR** for approval. 2425(2)The replacement plan that the supplier unilaterally submits to the 26 [Comptroller] EXECUTIVE DIRECTOR may include the designation of an authorized 27 representative or wholesaler outside the territory of the wholesaler who refuses to 28participate in the plan.

- 1 (c) The [Commission] **EXECUTIVE DIRECTOR** may not issue more than an 2 aggregate amount of two Class 7 micro-brewery licenses to holders of Class D beer and 3 wine licenses in the Town of Kensington.
- 4 (e) (2) The holder of a Class 7 micro-brewery license may brew in two locations 5 using the same Class 7 micro-brewery license if the license holder:
- 6 (i) requests permission by submitting a written application to the 7 [Commission] **EXECUTIVE DIRECTOR**; and
- 8 (ii) obtains written approval from the [Commission] **EXECUTIVE** 9 **DIRECTOR**.
- 10 (3) Before authorizing a holder of a Class 7 micro-brewery license to brew 11 in two locations using the same Class 7 micro-brewery license, the [Commission] 12 **EXECUTIVE DIRECTOR** shall:
- 13 (i) make a determination that a second location to brew additional capacity is necessary due to insufficient space at the existing Class 7 license location; and
- 15 (ii) consider any other factor relevant to approval of the application.
- 16 30–102.
- 17 This title applies only in Talbot County.
- 18 30-403.
- 19 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall specify which local license 20 is the equivalent of the Class B beer, wine, and liquor license specified in § 2–208(b) of this 21 article.
- 22 30-404.
- 23 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall specify which local license 24 is the equivalent of the Class B beer, wine, and liquor license specified in § 2–209(b) of this 25 article.
- 26 31–102.
- 27 This title applies only in Washington County.
- 28 31-404.
- 29 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may not issue a license for premises on property that has been leased unless the landlord of the property presents to



- 1 (2)The replacement plan that the supplier unilaterally submits to the 2 [Comptroller] **EXECUTIVE DIRECTOR** may include the designation of an authorized 3 representative or wholesaler outside the territory of the wholesaler who refuses to 4 participate in the plan. 5 32-403. 6 Before the [Comptroller] EXECUTIVE DIRECTOR may issue a Class 6 (b) pub-brewery license in the county, the [Comptroller] EXECUTIVE DIRECTOR shall 7 8 forward a copy of the application to the Board. 9 The Board shall: (c) 10 (1) review the application; (2) hold a public hearing on the application; and 11 12 (3)recommend to the [Comptroller] EXECUTIVE DIRECTOR whether or 13 not to issue the license. 14 32 - 405.15 [Comptroller] EXECUTIVE DIRECTOR may issue one Class 6 pub-brewery license or one Class 7 micro-brewery license, but not both, for a location in 16 17 an enterprise zone, to a person that holds not more than five Class B beer, wine, and liquor 18 licenses. 19 32-1001.The license holder shall: 20 (i) 21maintain records of all catered events where alcoholic beverages are (1) 22 served: and 23 make the records required under item (1) of this subsection available on request to the Board, THE EXECUTIVE DIRECTOR, or [to] the Comptroller. 2433-102.25 26 This title applies only in Worcester County.
- 28 (a) (1) The Department shall keep accurate records of:

33-309.

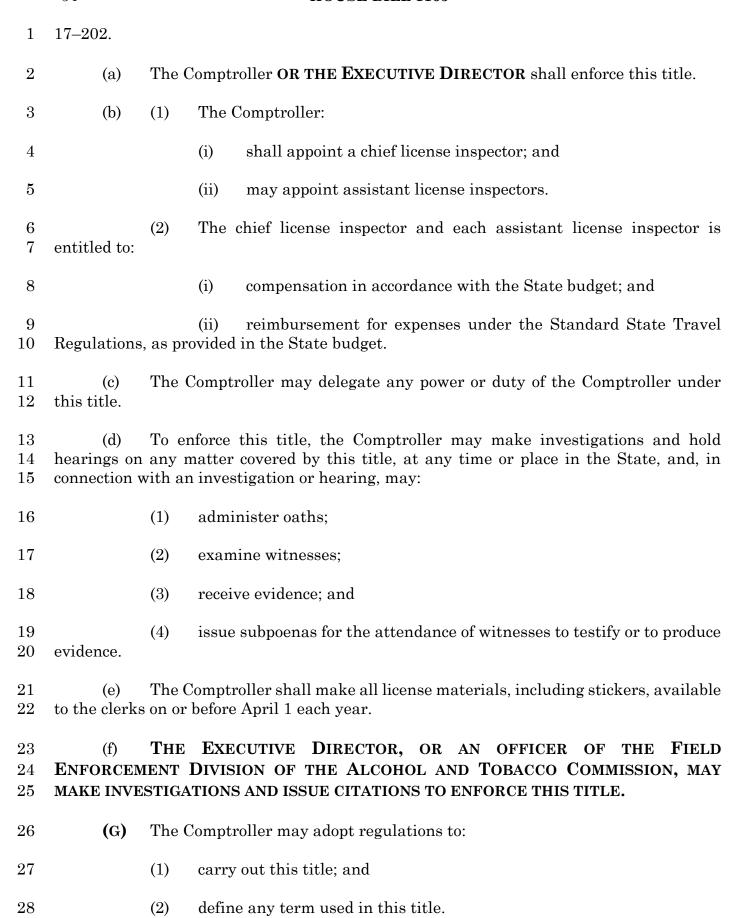
(c)

## **HOUSE BILL 1165**

1	(i) all purchases of alcoholic beverages; and
2 3	(ii) a complete statement of the business conducted by the Department and the operational achievements of the dispensary system.
4 5	(2) The records shall be open to inspection by the Comptroller <b>OR THE EXECUTIVE DIRECTOR</b> during regular business hours.
6	33–504.
7 8	(b) (1) (i) A wholesaler may not intentionally deliver beer to a retail dealer to whom any wholesaler has extended credit under this section if the retail dealer:
9 10	1. fails to pay the balance owed or makes a payment on the debt by bad check; and
11 12	2. is currently listed on the county beer credit control list in accordance with regulations that the [Comptroller] <b>EXECUTIVE DIRECTOR</b> issues.
13 14	(ii) A whole saler who violates this paragraph is subject to a fine not exceeding $\$1,\!000$ for each delivery.
15 16 17	(4) (i) A retail dealer may request a hearing with the [Comptroller] <b>EXECUTIVE DIRECTOR</b> within 10 days after being listed on the county beer credit control list for failure to comply with this section.
18 19 20	(ii) The [Comptroller] <b>EXECUTIVE DIRECTOR</b> shall remove immediately from the county beer credit control list a retail dealer who requests a hearing, pending the disposition of the hearing.
21 22	(d) The [Comptroller] <b>EXECUTIVE DIRECTOR</b> shall enforce subsections (a) and (b) of this section and shall adopt regulations to carry out those subsections.
23	Article – Business Regulation
24	16–308.2.
25 26 27	(a) In this section, "unpackaged cigarette" means any cigarette not contained in a sealed package of 20 or more cigarettes that are designed and intended to be sold as a unit.
28	(b) This section applies only in Baltimore City.

A person who holds a county license may not sell an unpackaged cigarette.

- 1 (d) (1) An enforcement officer of the Tobacco Use Prevention and Cessation 2 Program in the Baltimore City Health Department may enforce this section by entering 3 and inspecting, at a reasonable time, the premises of a county license holder.
- 4 (2) An enforcement officer shall report a violation of this section to a State's 5 Attorney.
- 6 (e) Issuance of a citation by the Comptroller **OR THE EXECUTIVE DIRECTOR** for a violation of § 16–215 of this title precludes a prosecution for a violation under this section arising out of the same incident.
- 9 17-101.
- 10 (a) In this title the following words have the meanings indicated.
- 11 (b) "Goods" means tangible personal property, items of trade, merchandise, or 12 other types of products sold at wholesale or retail.
- 13 (c) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE 14 ALCOHOL AND TOBACCO COMMISSION.
- 15 (D) "License" means a license issued under this title.
- 16 **[(d)] (E)** (1) "Sale" means the exchange or transfer, or the agreement to change or transfer, title or possession of goods in any manner for consideration.
- 18 (2) "Sale" includes barter.
- 19 [(e)] (F) "Sell" includes barter.
- 20 [(f)] (G) "Stock-in-trade" means:
- 21 (1) goods held for sale and reported as inventory on the Business Personal 22 Property Tax Return filed with the State Department of Assessments and Taxation; or
- 23 (2) except for alcoholic beverages, goods held for sale and reported as 24 inventory on the Business Personal Property Tax Return filed with the State Department 25 of Assessments and Taxation for determining the valuation of a trader's license under 26 Subtitle 18 of this title.
- [(g)] (H) "Trader" means a person who operates a room or other place of business for selling goods, including goods sold at auction.
- [(h)] (I) "Trader's license" means a license issued by the clerk to do business as a trader.



1 17-2104.

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With the approval of the Comptroller OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE, the chief license inspector [or], an assistant license inspector, OR AN AGENT OF THE FIELD ENFORCEMENT DIVISION OF THE ALCOHOL AND TOBACCO **COMMISSION** shall begin proceedings to prosecute each person who:

- 6 (1)is required to get a license from a clerk under this title; but
- 7 (2) fails to get the license or to pay an adequate license fee.

## Article - Commercial Law 8

- 9 11-501.
- 10 (a) In this subtitle the following words have the meanings indicated.
- "Basic cost of cigarettes" means the lesser of the invoice cost or the 12 replacement cost of cigarettes to the retailer or wholesaler; plus any in-freight charge to 13 the wholesaler otherwise not included in the invoice cost or the replacement cost; plus, for the wholesaler, the full face value of any applicable Maryland cigarette tax payable by the 14 wholesaler; minus any trade discount or discount for cash.
- 16 "Cigarettes" means any size or shaped roll for smoking that is made of (c) 17 tobacco or tobacco mixed with another ingredient and wrapped in paper or in any other 18 material except tobacco.
- "Cigarettes" does not include cigars. 19 (2)
- 20 "Cost to the retailer", subject to the special cost provisions of § 11–503 (1)21of this subtitle, means the basic cost of cigarettes to a retailer, which includes the cost to a 22 wholesaler, plus a markup to cover his cost of doing business, which cost of doing business, 23 in the absence of satisfactory proof of a lesser cost, is presumed to be 8 percent of the basic 24cost of cigarettes to him.
- 25 As to each carton of 200 cigarettes, a fractional part of a cent equal to 26 one-tenth of a cent or more in the cost to the retailer shall be rounded off to the next higher 27 cent.
- 28 (1) "Cost to the wholesaler", subject to the special cost provisions of § 2911–503 of this subtitle, means the basic cost of cigarettes to a wholesaler, plus a markup to cover his cost of doing business, which cost of doing business: 30
- 31 (i) Includes the cartage cost to a retailer; and
- 32 (ii) In the absence of satisfactory proof of a lesser cost, is presumed to be 5 percent of the basic cost of cigarettes to him. 33

- 1 (2) As to each carton of 200 cigarettes, a fractional part of a cent equal to 2 one—tenth of a cent or more in the cost to the wholesaler shall be rounded off to the next 3 higher cent.
- 4 (f) (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF 5 THE ALCOHOL AND TOBACCO COMMISSION.
- 6 (2) "EXECUTIVE DIRECTOR" INCLUDES A DEPUTY, AN INSPECTOR, A 7 CLERK, OR ANY OTHER INDIVIDUAL AUTHORIZED TO ACT BY THE EXECUTIVE 8 DIRECTOR.
- 9 **(G)** "Person" includes an individual, corporation, business trust, statutory trust, 10 estate, trust, partnership, association, two or more persons having a joint or common 11 interest, or any other legal or commercial entity.
- [(g)] (H) "Replacement cost" means the cost per unit for which the cigarettes could have been bought by the wholesaler or retailer at any time within 30 days before the date of sale by him if bought in the same quantity as his last purchase of the cigarettes.
- [(h)] (I) "Retail sale of cigarettes" includes any sale whereby cigarettes are sold for a valuable consideration, including an exchange or barter and a sale through a vending machine, made in the ordinary course of trade or the usual conduct of the seller's business to a purchaser for consumption or use other than resale.
- [(i)] (J) (1) "Retailer" includes any person engaged in the business of making retail sales of cigarettes within the State at a store, stand, booth, or concession, through vending machines, or otherwise.
- 22 (2) If the person is engaged in the business of making both retail sales of cigarettes and wholesale sales of cigarettes, the word only applies to the retail sales of cigarettes portion of the business.
- 25 [(j)] (K) "Sell" includes advertise, offer to sell, or offer for sale.
- 26 [(k)] (L) "Vending machine operator" means a person who:
- 27 (1) Makes retail sales of cigarettes or has cigarettes in his possession with 28 the intent to sell them exclusively at retail through the medium of a vending machine or 29 any other mechanical device used for dispensing cigarettes;
- 30 (2) Owns, operates, and services vending machines or other mechanical devices used to dispense cigarettes on 40 or more premises; and

- 1 (3) Services the machines or devices by maintaining an established place 2 of business for the purchase of cigarettes, including warehousing facilities for the storage 3 and distribution of cigarettes.
- [(1)] (M) (1) "Wholesale sale of cigarettes" includes any sale whereby cigarettes are sold for a valuable consideration, made in the ordinary course of trade or in the usual conduct of the seller's business to a retailer, other than to a vending machine operator or to a sub—wholesaler described in subsection (m)(2) of this section, for the bona fide purpose of resale.
- 9 (2) "Wholesale sale of cigarettes" includes any transfer of cigarettes on consignment or otherwise, whereby title is retained by the seller as security for the payment of the purchase price.
- [(m)] (N) (1) "Wholesaler" means a person who purchases cigarettes directly from a manufacturer.
- 14 (2) "Wholesaler" includes a person, who, as a sub-wholesaler:
- 15 (i) Purchases cigarettes from another wholesaler solely for the 16 purpose of bona fide resale to retailers other than those directly or indirectly owned, 17 affiliated, or controlled by him; and
- 18 (ii) Services the retailers by maintaining an established place of 19 business for the sale of cigarettes, including warehouse facilities, adequate inventory, 20 proper accounting records, and necessary equipment and vehicles for the storage and 21 distribution of cigarettes.
- 22 (3) If the person is engaged in the business of making both wholesale sales of cigarettes and retail sales of cigarettes, the word only applies to the wholesale sales of cigarettes portion of the business.
- 25 11-506.

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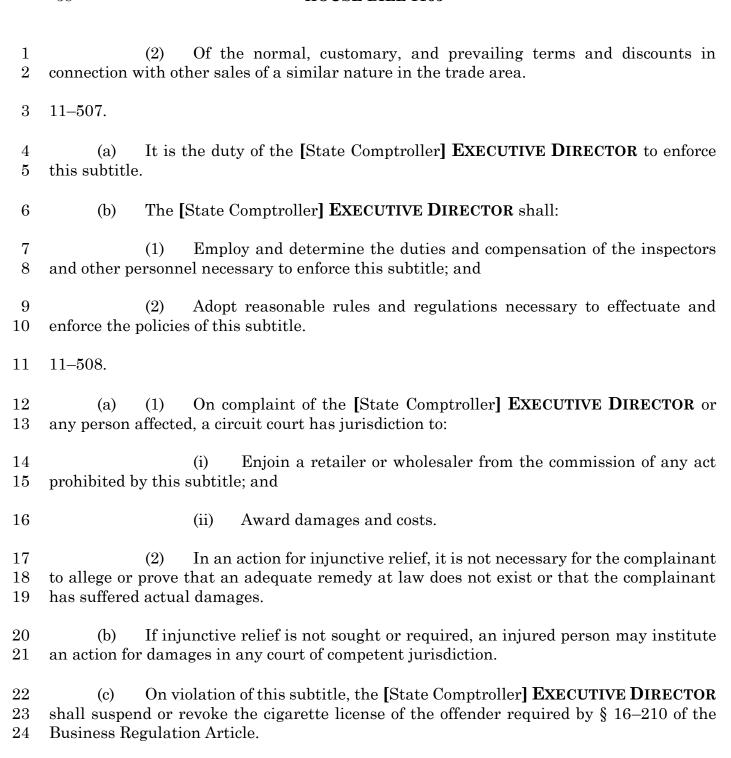
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- (a) In any proceeding under this subtitle, including a proceeding relating to licenses before the [State Comptroller] **EXECUTIVE DIRECTOR**, proof of a sale by a retailer or a wholesaler of cigarettes or of any other item in combination or in connection with cigarettes at less than their cost to the retailer or their cost to the wholesaler, respectively, is prima facie evidence of intent to injure a competitor or to destroy or substantially lessen competition.
- 32 (b) In determining cost to the retailer or cost to the wholesaler, the [State 33 Comptroller] **EXECUTIVE DIRECTOR** or the court shall receive and consider evidence:
- 34 (1) That the person complained against purchased cigarettes at a fictitious 35 price or on terms, in a manner, or under invoices which conceal the true costs, discounts, 36 or terms of purchase; and

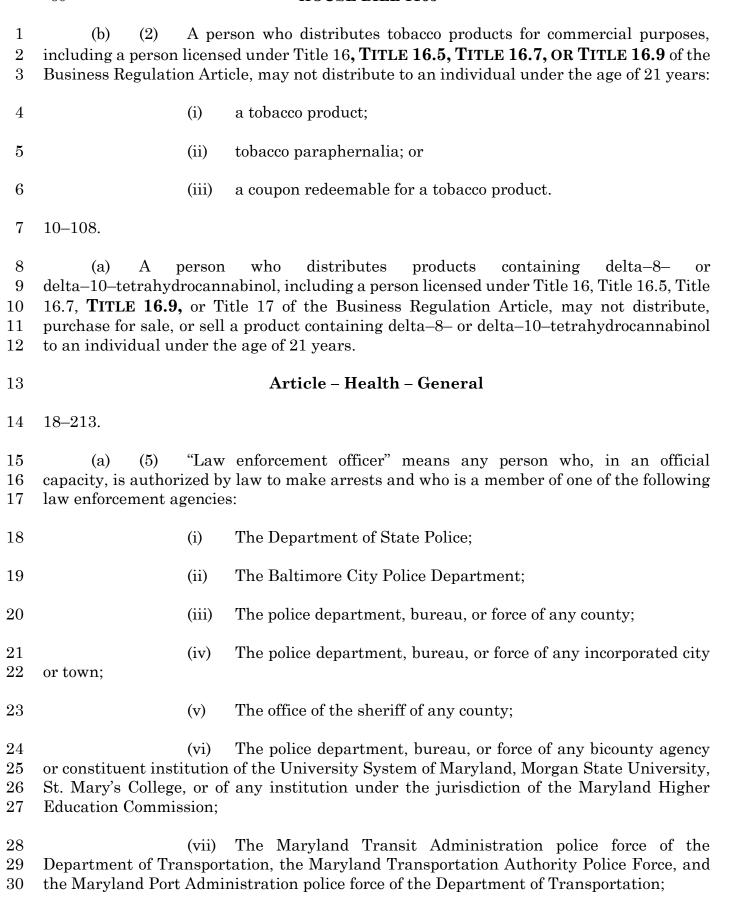


25 11–5A–01.

29

- 26 (a) In this subtitle the following words have the meanings indicated.
- 27 (b) "EXECUTIVE DIRECTOR" HAS THE MEANING STATED IN § 11–501 OF 28 THIS TITLE.
  - (C) "Retailer" has the meaning stated in [§ 11–501(i)] § 11–501 of this title.

- 1 [(c)] (D) "Sell" has the meaning stated in [§ 11–501(j)] § 11–501 of this title.
- 2 **[(d)] (E)** "Unpackaged cigarette" means any cigarette not contained in a sealed 3 package of 20 or more cigarettes.
- 4 [(e)] (F) "Vending machine operator" has the meaning stated in [§ 11–501(k)] § 5 11–501 of this title.
- 6 [(f)] (G) "Wholesaler" has the meaning stated in [ $\S$  11–501(m)]  $\S$  11–501 of this 7 title.
- 8 11–5A–03.
- 9 (a) The [State Comptroller] **EXECUTIVE DIRECTOR** shall enforce this subtitle.
- 10 (b) The [State Comptroller] **EXECUTIVE DIRECTOR** shall:
- 11 (1) Employ and determine the duties and compensation of the inspectors and other personnel necessary to enforce this subtitle; and
- 13 (2) Adopt reasonable regulations necessary to effectuate and enforce the provisions of this subtitle.
- 15 Article Courts and Judicial Proceedings
- 16 5–523.
- 17 (a) (1) In this section[,] THE FOLLOWING WORDS HAVE THE MEANINGS 18 INDICATED.
- 19 (2) "Comptroller" means the Comptroller of the State.
- 20 (3) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF 21 THE ALCOHOL AND TOBACCO COMMISSION.
- 22 (b) If, in good faith and with reasonable grounds, the Comptroller, THE EXECUTIVE DIRECTOR, or a peace officer of the State seizes contraband property or a conveyance used to transport contraband property under § 13–835 of the Tax General Article, the Comptroller, EXECUTIVE DIRECTOR, or peace officer is not civilly or criminally liable for the seizure.
- 27 Article Criminal Law
- 28 10-107.

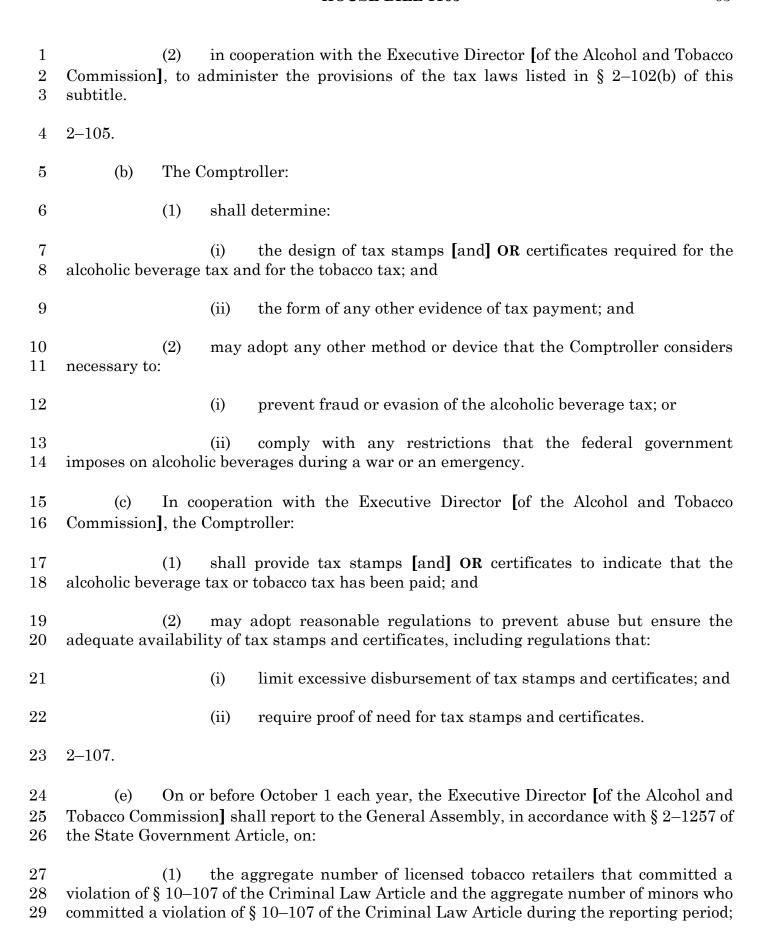


$\frac{1}{2}$	(vi Resources;	ii) The law enforcement officers of the Department of Natural	
3	(ix	The Field Enforcement Bureau of the Comptroller's Office;	
4 5	AND TOBACCO COM		
6	(X	The Crofton Police Department;	
7 8	= :	i)] (XII) The Intelligence and Investigative Division of the Safety and Correctional Services; or	
9	[(x	ii)] (XIII) The Ocean Pines Police Department.	
10	24–307.		
11 12 13	(b) A person who distributes tobacco products for commercial purposes, including a person licensed under Title 16, <b>TITLE 16.5</b> , <b>TITLE 16.7</b> , <b>OR TITLE 16.9</b> of the Business Regulation Article, may not distribute to an individual under the age of 21 years:		
14	(1) A t	cobacco product;	
15	(2) To	bacco paraphernalia; or	
16	(3) A	coupon redeemable for a tobacco product.	
17 18	(c) (1) A penalty not exceeding	person who violates subsection (b) of this section is subject to a civil	
19	(i)	\$300 for a first violation;	
20 21	(ii) the first violation; and		
22 23	(iii after the preceding vio	, , ,	
24 25 26	` '	e local health departments shall report violations of subsection (b) of mptroller's Office] <b>EXECUTIVE DIRECTOR OF THE ALCOHOL AND ION</b> .	
27 28	* *	nuance of a civil citation for a violation of this section precludes 0–107 of the Criminal Law Article arising out of the same violation.	

- 1 (4) If a violation is committed by a person acting on behalf of a retailer, the 2 civil penalty imposed under paragraph (1) of this subsection shall be paid by the retailer.
- (f) (1) The Maryland Department of Health, in collaboration and consultation with the Office of the Comptroller, THE EXECUTIVE DIRECTOR OF THE ALCOHOL AND TOBACCO COMMISSION, local health departments, and local law enforcement agencies, shall develop ongoing strategies for enforcement of §§ 10–107 and 10–108 of the Criminal Law Article.

## 8 Article - Tax - General

- 9 1–101.
- 10 (a) In this article the following words have the meanings indicated.
- 11 (G-2) (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF 12 THE ALCOHOL AND TOBACCO COMMISSION.
- 13 (2) "EXECUTIVE DIRECTOR" INCLUDES A DEPUTY, AN INSPECTOR, 14 OR ANY OTHER INDIVIDUAL ACTING WITHIN THE SCOPE OF THE EXECUTIVE 15 DIRECTOR'S AUTHORITY.
- 16 1–205.
- 17 (b) Before any license or permit issued by the Comptroller **OR THE EXECUTIVE**18 **DIRECTOR** may be renewed, the Comptroller shall verify that the applicant has paid all
  19 undisputed taxes and unemployment insurance contributions payable to the Comptroller
  20 or the Secretary of Labor or that the applicant has provided for payment in a manner
  21 satisfactory to the unit responsible for collection.
- 22 2-102.
- 23 (b) In cooperation with the Executive Director [of the Alcohol and Tobacco Commission], and in addition to the duties set forth elsewhere in this article and in other articles of the Code, the Comptroller shall administer the laws that relate to:
- 26 (1) the alcoholic beverage tax; and
- 27 (2) the tobacco tax.
- 28 2–103.
- 29 The Comptroller shall adopt reasonable regulations:
- 30 (1) to administer the provisions of the tax laws listed in  $\S 2-102(a)$  of this 31 subtitle; and



the number of prior violations for licensed tobacco retailers and minors 1 2 that committed a violation during the reporting period; and 3 the subsequent action taken by the Executive Director against each 4 violator and, for each action taken, the number of violations committed by the violator. 2-108.5 6 If, in good faith and with reasonable grounds, the Comptroller, THE EXECUTIVE 7 **DIRECTOR**, or a peace officer of the State seizes contraband property or a conveyance used 8 to transport contraband property under § 13–835 of this article, the Comptroller, THE **EXECUTIVE DIRECTOR,** or peace officer shall have the immunity from liability described 9 10 under § 5–523 of the Courts and Judicial Proceedings Article. 11 2 - 303. 12 The Comptroller shall distribute the proceeds from sales of contraband alcoholic 13 beverages and conveyances under § 13–841(a) **OR (D)** of this article to the General Fund. 14 5-101.In this title the following words have the meanings indicated. 15 (a) "Tax stamp" means a device in the design and denomination that the 16 17 Comptroller authorizes for the purpose of being affixed to a container of distilled spirits as evidence that the alcoholic beverage tax is paid. 18 19 [(n)] (M) "Wholesaler" means a person who buys or imports an alcoholic 20beverage for sale to another person for resale. 21 "Wholesaler" includes a county department of liquor control, a liquor 22control board, or the Alcohol Beverage Services for Montgomery County that operates a 23 wholesale dispensary. 24 [(o)] **(N)** (1) "Wine" means a fermented alcoholic beverage. "Wine" includes: 25 (2)26 (i) carbonated, flavored, imitation, sparkling, or still wine; 27 (ii) champagne; 28(iii) cider;

fortified wine:

(iv)

1	(v) perry;	
2	(vi) sake; and	
3	(vii) vermouth.	
4	12–203.	
5	(b) A wholesaler shall:	
6 7	(1) keep the records required under subsection (a) of this section for period of 6 years or for a shorter period that the Comptroller authorizes; and	
8 9	(2) allow the Comptroller <b>OR THE EXECUTIVE DIRECTOR</b> to examine the records.	
10	2–204.	
11	(a) The Comptroller shall adopt regulations that:	
12 13	` ' 1	
14 15	(2) specify the period for which an out—of—state seller must maintain the records required under item (1) of this subsection.	
16 17 18	DIRECTOR to examine the records maintained in accordance with subsection (a) of this	
19	13–710.	
20 21 22 23	spirits or mash in connection with an arrest of a person for the unlawful manufacture of distilled spirits in the State, on conviction of the person, the Comptroller shall assess a	
24	(1) all distilled spirits seized; or	
25 26	(2) the potential quantity of distilled spirits that may be manufacture from the quantity of mash seized.	
27	13–835.	

The Comptroller, THE EXECUTIVE DIRECTOR, or a peace officer of the State

28

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(a)

may:

- 1 (1) seize contraband alcoholic beverages or contraband tobacco products in 2 the State without a warrant;
- 3 (2) stop and search a conveyance in the State if the Comptroller, **THE**4 **EXECUTIVE DIRECTOR**, or officer knows or has reason to suspect that the conveyance is
  5 being used to transport in the State contraband tobacco products having a retail value of
- 6 \$100 or more or contraband alcoholic beverages; and
- 7 (3) seize a conveyance being used in the State to transport contraband 8 alcoholic beverages or contraband tobacco products.
- 9 13-836.
- 10 (a) (1) If contraband alcoholic beverages or contraband tobacco products are 11 seized:
- 12 (i) the Comptroller, **THE EXECUTIVE DIRECTOR**, or police officer 13 shall give a notice of seizure to the person from whom the property is seized at the time of 14 the seizure; and
- 15 (ii) the Comptroller **OR THE EXECUTIVE DIRECTOR** shall:
- 16 1. where possible, give a notice of seizure to the registered owner of a seized conveyance; and
- 18 2. publish a notice of seizure of the conveyance in a 19 newspaper of general circulation in the county where the seizure occurred.
- 20 (b) (1) A police officer who seizes a conveyance used to transport contraband 21 alcoholic beverages promptly shall notify the Comptroller **AND THE EXECUTIVE** 22 **DIRECTOR** of the seizure.
- 23 (2) A police officer who seizes any contraband tobacco products or conveyance used to transport contraband tobacco products shall deliver the seized cigarettes or other tobacco products and conveyance to the Comptroller OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE.
- 27 13-837.
- The owner or another person with an interest in seized property may file a claim for the return of the property with the Comptroller **OR THE EXECUTIVE DIRECTOR** within 30 days after:
- 31 (1) the seizure of alcoholic beverages, cigarettes, other tobacco products, 32 motor fuel or conveyances used to transport motor fuel; or

- a notice of seizure of a conveyance used to transport alcoholic beverages. 1 2 cigarettes, or other tobacco products is published. 3 13-838. 4 (b) Absent a finding under paragraph (2) of this subsection, the Comptroller OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE, in the best interest of 5 6 the State may: 7 pay the outstanding indebtedness secured by the lawful lien and (i) 8 keep the property; or 9 (ii) deliver the property to the lien holder. 10 13-839. If a person files a claim for return of seized alcoholic beverages, cigarettes, 11 12 other tobacco products, or a conveyance used for their transportation under § 13–837 of this 13 subtitle, the Comptroller, THE EXECUTIVE DIRECTOR, or [the Comptroller's] THEIR 14 designee shall: 15 (1) promptly act on the request and hold an informal hearing; 16 (2)direct the return of alcoholic beverages, cigarettes, or other tobacco products unless the Comptroller, THE EXECUTIVE DIRECTOR, or [Comptroller's THEIR] 17 designee has satisfactory proof that the person was not in compliance with any provisions 18 of Title 5 or Title 12 of this article at the time of seizure; and 19 direct the return of the conveyance if the Comptroller, THE 20 **EXECUTIVE DIRECTOR,** or [Comptroller's] THEIR designee has satisfactory proof that 2122the owner of the conveyance was not willfully evading any provisions of Title 5 or Title 12 23 of this article at the time of seizure. 24The Comptroller, THE EXECUTIVE DIRECTOR, or [Comptroller's] THEIR 25designee shall grant or deny the application for return of seized alcoholic beverages, 26 cigarettes, other tobacco products, or a conveyance in accordance with subsection (a) of this 27 section by mailing the person a notice of final determination. 28 13-841.
- 29 (a) (1) Contraband alcoholic beverages that are seized under this title and 30 forfeited may be disposed of or destroyed in the manner allowed under §§ 6–105, 6–106, 31 and 6–328 of the Alcoholic Beverages Article.

- 1 (2) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,** 2 shall sell at public auction a conveyance that is seized under this title in connection with 3 contraband alcoholic beverages and forfeited.
- (b) (1) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,**shall sell contraband tobacco products seized under this title and forfeited to a State
  institution, a nonprofit charitable institution, a licensed cigarette wholesaler, or a licensed
  cigarette manufacturer in the manner the Comptroller **OR EXECUTIVE DIRECTOR**determines.
- 9 (2) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,** 10 shall sell at public auction a conveyance that is seized under this title in connection with 11 contraband tobacco products and forfeited.
- 12 (d) **(1)** In the manner required under Title 2 of this article for distributions of revenue, the Comptroller shall distribute the net proceeds from the sale of any conveyance or other property under this section after paying:
- 15 **[**(1)**] (I)** the costs incurred in conjunction with the seizure and disposal of 16 the property;
- 17 [(2)] (II) the cost of the sale; and
- [(3)] (III) any bona fide lien against the conveyance.
- 19 (2) IF THE EXECUTIVE DIRECTOR SELLS AT PUBLIC AUCTION A
  20 CONVEYANCE OR OTHER PROPERTY SEIZED UNDER THIS SECTION, THE EXECUTIVE
  21 DIRECTOR SHALL TRANSFER THE NET PROCEEDS OF THE SALE TO THE
  22 COMPTROLLER FOR DISTRIBUTION UNDER TITLE 2 OF THIS ARTICLE.
- 23 [13–1011.
- A person who counterfeits an alcoholic beverage tax stamp, as defined in § 5–101 of this article, or certificate is guilty of a crime and, on conviction, is subject to a fine not exceeding \$10,000 or imprisonment not exceeding 5 years or both.]
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2023.$