A1 3lr1848 CF HB 787

By: Senator A. Washington

Introduced and read first time: February 6, 2023

Assigned to: Finance

AN ACT concerning

A BILL ENTITLED

2	Alcoholic Beverages - Retail Delivery - Alterations and Third-Party Delivery
3	Service Permit

FOR the purpose of establishing a delivery service permit that authorizes the holder to 4 5 deliver alcoholic beverages from a certain retail license holder authorized to deliver 6 alcoholic beverages to purchasers in the State under certain circumstances; 7 authorizing certain retail license holders to deliver alcoholic beverages to purchasers 8 in the State through a third-party contractor, an independent contractor, or an agent 9 that holds a delivery service permit under certain circumstances; altering certain standards and requirements for the retail delivery of alcoholic beverages; and 10 11 generally relating to retail delivery of alcoholic beverages.

12 BY adding to

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- 13 Article Alcoholic Beverages
- 14 Section 2–165
- 15 Annotated Code of Maryland
- 16 (2016 Volume and 2022 Supplement)
- 17 BY repealing and reenacting, with amendments,
- 18 Article Alcoholic Beverages
- 19 Section 4–507
- 20 Annotated Code of Maryland
- 21 (2016 Volume and 2022 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 23 That the Laws of Maryland read as follows:
- 24 Article Alcoholic Beverages
- 25 **2–165**.

- 1 (A) THERE IS A DELIVERY SERVICE PERMIT.
- 2 (B) THE PERMIT AUTHORIZES THE HOLDER TO DELIVER ALCOHOLIC
- 3 BEVERAGES FROM A RETAIL LICENSE HOLDER AUTHORIZED TO DELIVER
- 4 ALCOHOLIC BEVERAGES UNDER § 4–507 OF THIS ARTICLE.
- 5 (C) AN APPLICANT FOR A DELIVERY SERVICE PERMIT SHALL:
- 6 (1) SUBMIT TO THE COMMISSION:
- 7 (I) A SAMPLE CONTRACT THAT THE APPLICANT INTENDS TO
- 8 ENTER INTO WITH A RETAIL LICENSE HOLDER AUTHORIZED TO DELIVER ALCOHOLIC
- 9 BEVERAGES:
- 10 (II) WRITTEN CERTIFICATION THAT BEFORE DELIVERING ANY
- 11 ALCOHOLIC BEVERAGES, ALL DELIVERY PERSONNEL WILL BE:
- 12 1. AT LEAST 21 YEARS OLD; AND
- 2. CERTIFIED BY AN APPROVED ALCOHOL AWARENESS
- 14 PROGRAM; AND
- 15 (III) PROOF OF GENERAL LIABILITY INSURANCE IN THE AMOUNT
- 16 OF AT LEAST \$1,000,000 PER OCCURRENCE; AND
- 17 (2) PAY AN APPLICATION FEE OF \$1,000.
- 18 (D) A DELIVERY SERVICE PERMIT HOLDER MAY:
- 19 (1) USE THE DELIVERY SERVICE'S EMPLOYEES OR INDEPENDENT
- 20 CONTRACTORS WHO ARE AT LEAST 21 YEARS OLD TO DELIVER ALCOHOLIC
- 21 BEVERAGES; AND
- 22 (2) FACILITATE ORDERS FOR THE SALE AND DELIVERY OF
- 23 ALCOHOLIC BEVERAGES BY TELEPHONE, INTERNET, OR OTHER ELECTRONIC
- 24 MEANS.
- 25 (E) (1) THE PERMIT IS VALID FOR 2 YEARS.
- 26 (2) A DELIVERY SERVICE PERMIT HOLDER MAY RENEW ITS DELIVERY
- 27 SERVICE PERMIT IF THE DELIVERY SERVICE PERMIT HOLDER:

1 2 3	(I) MAINTAINS ALL CONDITIONS AND QUALIFICATIONS OF DELIVERY SERVICE PERMIT HOLDERS REQUIRED BY THIS SECTION AND § $4-507$ OF THIS ARTICLE; AND							
4	(II) PAYS A RENEWAL FEE OF \$500.							
5	4-507.							
6	(a) This section does not apply to:							
7 8	(1) the delivery of wine from a direct wine shipper to a consumer using a common carrier in accordance with Title 2, Subtitle 1, Part V of this article;							
9	(2) the holder of a common carrier permit in the course of delivering directly shipped wine in accordance with Title 2, Subtitle 1, Part V of this article; or							
$\frac{1}{2}$	(3) the delivery of alcoholic beverages in accordance with \S 4–1107 of this title.							
13	(b) Retail delivery to a purchaser of alcoholic beverages is prohibited unless:							
14 15	(1) a retail license holder obtains a letter of authorization from the local licensing board to make deliveries; [and]							
16 17	(2) the delivery is made from the licensed premises by [the retail license holder or an employee of the retail license holder]:							
18	(I) THE RETAIL LICENSE HOLDER;							
9	(II) AN EMPLOYEE OF THE RETAIL LICENSE HOLDER; OR							
20 21	(III) A THIRD-PARTY CONTRACTOR, AN INDEPENDENT CONTRACTOR, OR AN AGENT THAT:							
22	1. HOLDS A DELIVERY SERVICE PERMIT; AND							
23 24	2. HAS CONTRACTED WITH THE RETAIL LICENSE HOLDER TO MAKE DELIVERIES OF ALCOHOLIC BEVERAGES;							
25	(3) THE PURCHASER OF THE ALCOHOLIC BEVERAGES:							
26	(I) IS AT LEAST 21 YEARS OLD; AND							
27	(II) PROVIDES VALID IDENTIFICATION AS PROOF OF AGE ON							

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RECEIPT OF THE ALCOHOLIC BEVERAGES;

1	(4)	ALCOHOLIC	BEVERAGES	SOLD	FOR	OFF-PREMISES	DELIVERY
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- 2 **ARE:**
- 3 (I) PROVIDED IN THE MANUFACTURER'S ORIGINAL SEALED
- 4 CONTAINER OR IN A CONTAINER CLOSED WITH A CAP, CORK, SEAL, OR LID WITHOUT
- 5 HOLES FOR STRAWS OR SIPPING; AND
- 6 (II) SOLD ONLY DURING THE HOURS THE RETAIL LICENSE 7 HOLDER IS OPEN FOR IN-STORE PURCHASES; AND
- 8 (5) THE DELIVERY OF THE ALCOHOLIC BEVERAGES IS MADE FROM
- 9 THE RETAIL LICENSE HOLDER'S LICENSED PREMISES TO THE PURCHASER OF THE
- 10 ALCOHOLIC BEVERAGES BY AN INDIVIDUAL WHO:
- 11 (I) IS AT LEAST 21 YEARS OLD; AND
- 12 (II) HAS SUCCESSFULLY COMPLETED AN APPROVED ALCOHOL
- 13 AWARENESS PROGRAM.
- 14 (C) A RETAIL LICENSE HOLDER MAY NOT DELIVER ALCOHOLIC BEVERAGES
- 15 **TO:**
- 16 (1) AN INDIVIDUAL WHO DOES NOT PROVIDE VALID IDENTIFICATION
- 17 PROVING THAT THE INDIVIDUAL IS AT LEAST 21 YEARS OLD; OR
- 18 (2) ANOTHER PREMISES LICENSED TO SELL ALCOHOLIC BEVERAGES.
- 19 (D) (1) A PERSON SHALL APPLY TO THE COMMISSION FOR A DELIVERY
- 20 SERVICE PERMIT UNDER § 2–165 OF THIS ARTICLE BEFORE CONTRACTING TO
- 21 DELIVER ALCOHOLIC BEVERAGES FOR A RETAIL LICENSE HOLDER.
- 22 (2) If a retail license holder contracts with a delivery
- 23 SERVICE PERMIT HOLDER TO DELIVER ALCOHOLIC BEVERAGES, THE RETAIL
- 24 LICENSE HOLDER AND THE DELIVERY SERVICE PERMIT HOLDER SHALL ESTABLISH
- 25 A METHOD TO ENSURE THAT THE RETAIL LICENSE HOLDER RETAINS CONTROL OVER
- 26 PAYMENTS MADE FROM A PURCHASER FOR THE ALCOHOLIC BEVERAGES.
- 27 (E) A RETAIL LICENSE HOLDER MAY NOT BE CHARGED WITH A VIOLATION
- 28 OF LAW FOR THE DELIVERY OF AN ALCOHOLIC BEVERAGE TO A MINOR IF:
- 29 (1) THE DELIVERY WAS MADE BY A DELIVERY SERVICE PERMIT
- 30 HOLDER CONTRACTED TO DELIVER FOR THE RETAIL LICENSE HOLDER; AND

- 1 (2) AT THE POINT OF DELIVERY, THE INDIVIDUAL WHO RECEIVED THE 2 ALCOHOLIC BEVERAGES PROVIDED VALID PHOTOGRAPHIC IDENTIFICATION TO THE
- 3 DELIVERY SERVICE PERMIT HOLDER AFFIRMING THAT THE INDIVIDUAL RECEIVING
- 4 THE ALCOHOLIC BEVERAGES WAS AT LEAST 21 YEARS OLD.
- 5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 6 1, 2023.