

# SENATE BILL 456

A1  
SB 815/23 – FIN

4r1739  
CF 4r1738

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By: **Senator A. Washington**  
Introduced and read first time: January 22, 2024  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Retail Delivery – Local Delivery Service Permit**

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

12 BY repealing and reenacting, with amendments,  
13 Article – Alcoholic Beverages and Cannabis  
14 Section 4–507  
15 Annotated Code of Maryland  
16 (2016 Volume and 2023 Supplement)

17 BY adding to  
18 Article – Alcoholic Beverages and Cannabis  
19 Section 4–1107  
20 Annotated Code of Maryland  
21 (2016 Volume and 2023 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 and Cannabis**

25 4–507.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (a) This section does not apply to:

2 (1) the delivery of wine from a direct wine shipper to a consumer using a  
3 common carrier in accordance with Title 2, Subtitle 1, Part V of this article; or

4 (2) the holder of a common carrier permit in the course of delivering  
5 directly shipped wine in accordance with Title 2, Subtitle 1, Part V of this article.

6 (b) Retail delivery to a purchaser of alcoholic beverages is prohibited unless:

7 (1) a retail license holder obtains a letter of authorization from the local  
8 licensing board to make deliveries; and

9 (2) the delivery is made from the licensed premises by [the retail license  
10 holder or an employee of the retail license holder]:

11 (I) THE RETAIL LICENSE HOLDER;

12 (II) AN EMPLOYEE OF THE RETAIL LICENSE HOLDER; OR

13 (III) A THIRD-PARTY CONTRACTOR, AN INDEPENDENT  
14 CONTRACTOR, OR AN AGENT THAT:

15 1. HOLDS A LOCAL DELIVERY SERVICE PERMIT ISSUED  
16 UNDER § 4-1108 OF THIS TITLE; AND

17 2. HAS CONTRACTED WITH THE RETAIL LICENSE  
18 HOLDER TO MAKE DELIVERIES OF ALCOHOLIC BEVERAGES.

19 4-1107.

20 (A) THIS SECTION APPLIES ONLY IN A JURISDICTION WHERE THE LOCAL  
21 LICENSING BOARD HAS ADOPTED REGULATIONS TO AUTHORIZE THE DELIVERY OF  
22 ALCOHOLIC BEVERAGES BY A THIRD-PARTY CONTRACTOR, AN INDEPENDENT  
23 CONTRACTOR, OR AN AGENT.

24 (B) A LOCAL LICENSING BOARD MAY ISSUE A LOCAL DELIVERY SERVICE  
25 PERMIT.

26 (C) THE PERMIT AUTHORIZES THE HOLDER TO DELIVER ALCOHOLIC  
27 BEVERAGES FROM A RETAIL LICENSE HOLDER AUTHORIZED TO DELIVER  
28 ALCOHOLIC BEVERAGES UNDER § 4-507 OF THIS TITLE TO AN INDIVIDUAL IN THE  
29 JURISDICTION WHERE THE RETAIL LICENSE HOLDER IS LOCATED.

1           **(D) A LOCAL LICENSING BOARD MAY SET BY REGULATION:**

2                   **(1) THE APPLICATION REQUIREMENTS FOR THE LOCAL DELIVERY**  
3 **SERVICE PERMIT; AND**

4                   **(2) ADDITIONAL REQUIREMENTS FOR HOLDERS OF THE LOCAL**  
5 **DELIVERY SERVICE PERMIT WHO DELIVER ALCOHOLIC BEVERAGES ON BEHALF OF**  
6 **A RETAIL LICENSE HOLDER.**

7           **(E) (1) THE LOCAL LICENSING BOARD MAY CHARGE A FEE FOR THE**  
8 **LOCAL DELIVERY SERVICE PERMIT.**

9                   **(2) THE ANNUAL FEE FOR THE LOCAL DELIVERY SERVICE PERMIT IS**  
10 **\$1,000.**

11           **(F) A LOCAL DELIVERY SERVICE PERMIT HOLDER MAY:**

12                   **(1) USE THE DELIVERY SERVICE'S EMPLOYEES OR INDEPENDENT**  
13 **CONTRACTORS WHO ARE AT LEAST 21 YEARS OLD TO DELIVER ALCOHOLIC**  
14 **BEVERAGES; AND**

15                   **(2) FACILITATE ORDERS FOR THE SALE AND DELIVERY OF**  
16 **ALCOHOLIC BEVERAGES BY TELEPHONE, INTERNET, OR OTHER ELECTRONIC**  
17 **MEANS.**

18           **(G) THE PURCHASER OR RECEIVER OF ALCOHOLIC BEVERAGES UNDER THIS**  
19 **SECTION SHALL:**

20                   **(1) BE AT LEAST 21 YEARS OLD; AND**

21                   **(2) PROVIDE VALID IDENTIFICATION AS PROOF OF AGE ON RECEIPT**  
22 **OF THE ALCOHOLIC BEVERAGES.**

23           **(H) ALCOHOLIC BEVERAGES SOLD FOR OFF-PREMISES DELIVERY UNDER**  
24 **THIS SECTION SHALL BE:**

25                   **(1) PROVIDED IN THE MANUFACTURER'S ORIGINAL SEALED**  
26 **CONTAINER; AND**

27                   **(2) SOLD ONLY DURING THE HOURS THE RETAIL LICENSE HOLDER IS**  
28 **OPEN FOR IN-STORE PURCHASES.**

1           **(I) AN INDIVIDUAL DELIVERING ALCOHOLIC BEVERAGES UNDER A LOCAL**  
2 **DELIVERY SERVICE PERMIT SHALL:**

3                   **(1) BE AT LEAST 21 YEARS OLD; AND**

4                   **(2) HAVE SUCCESSFULLY COMPLETED AN APPROVED ALCOHOL**  
5 **AWARENESS PROGRAM UNDER § 4-505 OF THIS TITLE.**

6           **(J) A LOCAL DELIVERY SERVICE PERMIT HOLDER MAY NOT DELIVER**  
7 **ALCOHOLIC BEVERAGES TO:**

8                   **(1) AN INDIVIDUAL WHO DOES NOT PROVIDE VALID IDENTIFICATION**  
9 **PROVING THAT THE INDIVIDUAL IS AT LEAST 21 YEARS OLD;**

10                   **(2) ANOTHER PREMISES LICENSED TO SELL ALCOHOLIC BEVERAGES;**  
11 **OR**

12                   **(3) AN INDIVIDUAL LOCATED OUTSIDE THE JURISDICTION WHERE**  
13 **THE RETAIL LICENSE HOLDER IS LOCATED.**

14           **(K) A LOCAL DELIVERY SERVICE PERMIT HOLDER IS SUBJECT TO THE**  
15 **FOLLOWING PENALTIES FOR VIOLATING THIS SECTION:**

16                   **(1) FOR A FIRST VIOLATION, A FINE OF \$1,000;**

17                   **(2) FOR A SECOND VIOLATION, A FINE OF \$3,000 AND A SUSPENSION**  
18 **OF THE LOCAL DELIVERY SERVICE PERMIT FOR 30 DAYS;**

19                   **(3) FOR A THIRD VIOLATION, A FINE OF \$6,000 AND A SUSPENSION OF**  
20 **THE LOCAL DELIVERY SERVICE PERMIT FOR 60 DAYS; AND**

21                   **(4) FOR ANY SUBSEQUENT VIOLATION, REVOCATION OF THE LOCAL**  
22 **DELIVERY SERVICE PERMIT.**

23           **(L) THE HOLDER OF A LOCAL DELIVERY SERVICE PERMIT MAY NOT:**

24                   **(1) SELL ALCOHOLIC BEVERAGES; OR**

25                   **(2) STORE ALCOHOLIC BEVERAGES FOR DELIVERY.**

26           **(M) (1) A PERSON SHALL APPLY TO THE LOCAL LICENSING BOARD FOR A**  
27 **LOCAL DELIVERY SERVICE PERMIT BEFORE CONTRACTING TO DELIVER ALCOHOLIC**  
28 **BEVERAGES FOR A RETAIL LICENSE HOLDER.**

1           **(2) IF A RETAIL LICENSE HOLDER CONTRACTS WITH A LOCAL**  
2 **DELIVERY SERVICE PERMIT HOLDER TO DELIVER ALCOHOLIC BEVERAGES, THE**  
3 **RETAIL LICENSE HOLDER AND THE LOCAL DELIVERY SERVICE PERMIT HOLDER**  
4 **SHALL ESTABLISH A METHOD TO ENSURE THAT THE RETAIL LICENSE HOLDER**  
5 **RETAINS CONTROL OVER SALES TO AND PAYMENTS MADE FROM A PURCHASER FOR**  
6 **THE ALCOHOLIC BEVERAGES.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
8 1, 2024.