

SENATE BILL 456

A1

(4lr1739)

ENROLLED BILL
— *Finance/Economic Matters* —

Introduced by **Senator A. Washington**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Annotated Code of Maryland
2 (2016 Volume and 2023 Supplement)

3 BY adding to
4 Article – Alcoholic Beverages and Cannabis
5 Section 4–1107
6 Annotated Code of Maryland
7 (2016 Volume and 2023 Supplement)

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

10 **Article – Alcoholic Beverages and Cannabis**

11 4–507.

12 (a) This section does not apply to:

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

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

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

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

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

22 **(I) THE RETAIL LICENSE HOLDER;**

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

24 **(III) A THIRD-PARTY CONTRACTOR, AN INDEPENDENT**
25 **CONTRACTOR, OR AN AGENT THAT:**

26 **1. HOLDS A LOCAL DELIVERY SERVICE PERMIT ISSUED**
27 **UNDER ~~§ 4–1108~~ § 4–1107 OF THIS TITLE; AND**

28 **2. HAS CONTRACTED WITH THE RETAIL LICENSE**
29 **HOLDER TO MAKE DELIVERIES OF ALCOHOLIC BEVERAGES.**

30 **4–1107.**

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

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

5 **(1) PROVIDED IN THE MANUFACTURER'S ORIGINAL SEALED**
6 **CONTAINER; AND**

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

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

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

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

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

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

18 **(2) ANOTHER PREMISES LICENSED TO SELL ALCOHOLIC BEVERAGES;**
19 **OR**

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

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

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

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

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

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

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

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

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

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

9 **(2) IF A RETAIL LICENSE HOLDER CONTRACTS WITH A LOCAL**
10 **DELIVERY SERVICE PERMIT HOLDER TO DELIVER ALCOHOLIC BEVERAGES, THE**
11 **RETAIL LICENSE HOLDER AND THE LOCAL DELIVERY SERVICE PERMIT HOLDER**
12 **SHALL ESTABLISH A METHOD TO ENSURE THAT THE RETAIL LICENSE HOLDER**
13 **RETAINS CONTROL OVER SALES TO AND PAYMENTS MADE FROM A PURCHASER FOR**
14 **THE ALCOHOLIC BEVERAGES.**

15 **(N) THE EXECUTIVE DIRECTOR MAY ADOPT REGULATIONS TO ENFORCE**
16 **THIS SECTION.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
18 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.