

Bill No.: \_\_\_\_\_  
Requested: \_\_\_\_\_  
Committee: \_\_\_\_\_

Drafted by: Rosen  
Typed by: Caitlin  
Stored – 10/29/15  
Proofread by \_\_\_\_\_  
Checked by \_\_\_\_\_

By: **Montgomery County Delegation**

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Purchases From the Department of Liquor Control –**  
3 **Exception for Wholesalers**

4 **MC 7-16**

5 FOR the purpose of providing that Montgomery County may authorize a private licensed  
6 Maryland wholesaler to sell and distribute certain beer and light wine products not  
7 purchased from the Department of Liquor Control for Montgomery County;  
8 providing that Montgomery County may authorize the Department of Liquor Control  
9 to classify certain beer and light wine products that a private licensed Maryland  
10 wholesaler may sell and distribute; requiring the Department of Liquor Control to  
11 establish a certain surcharge to be paid by a private licensed Maryland wholesaler  
12 under certain circumstances; and generally relating to alcoholic beverages in  
13 Montgomery County.

14 BY repealing and reenacting, without amendments,  
15 Article 2B – Alcoholic Beverages  
16 Section 15-204(a)  
17 Annotated Code of Maryland  
18 (2011 Replacement Volume and 2015 Supplement)

19 BY repealing and reenacting, with amendments,

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



1 Article 2B – Alcoholic Beverages  
2 Section 15–204(b)  
3 Annotated Code of Maryland  
4 (2011 Replacement Volume and 2015 Supplement)

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

7 **Article 2B – Alcoholic Beverages**

8 15–204.

9 (a) Subject to § 16–407.1 of this article and except as otherwise provided in this  
10 section, the liquor control board in each county shall have an absolute monopoly of the sale  
11 and distribution of the particular alcoholic beverages which elsewhere in this subtitle it is  
12 empowered to sell.

13 (b) (1) Provided, that in Montgomery County no person, firm, or corporation  
14 shall keep for sale any alcoholic beverage not purchased from the Department of Liquor  
15 Control for Montgomery County, provided, however, that nothing in this subsection shall  
16 apply to a holder of a Class F license or a holder of a Class 1 beer, wine and liquor, Class 2  
17 wine and liquor, Class 3 beer and wine, Class 4 beer, or Class 5 wine wholesaler’s license,  
18 who may not sell or deliver any alcoholic beverage in Montgomery County for resale except  
19 to a county liquor dispensary.

20 (2) Notwithstanding paragraph (1) of this subsection:

21 (i) 1. A holder of a Class 6 limited wine wholesaler’s license or  
22 of a nonresident winery permit may sell or deliver wine directly to a county liquor  
23 dispensary, restaurant, or other retail dealer in Montgomery County; and

24 2. A county liquor dispensary, restaurant, or other retail  
25 dealer in Montgomery County may purchase wine directly from a holder of a Class 6 limited  
26 wine wholesaler’s license or of a nonresident winery permit;

27 (ii) 1. A holder of a Class 7 limited beer wholesaler’s license or of  
28 a nonresident brewery permit may sell or deliver its own beer to a county liquor dispensary,  
29 a restaurant, or any other retail dealer in Montgomery County; and

1                                   2.     A county liquor dispensary, a restaurant, or any other  
2 retail dealer in Montgomery County may purchase beer directly from a holder of a Class 7  
3 limited beer wholesaler’s license or a nonresident brewery permit;

4                                   (iii)   A holder of a direct wine shipper’s permit may ship wine directly  
5 to a consumer in Montgomery County; and

6                                   (iv)   A holder of a wine auction permit in Montgomery County may  
7 receive and sell wine obtained from any source listed under § 2–101(o) of this article.

8                                   **(3)   NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE**  
9 **GOVERNING BODY OF MONTGOMERY COUNTY MAY AUTHORIZE:**

10                                   **(I)   A PRIVATE LICENSED MARYLAND WHOLESALER TO SELL**  
11 **AND DISTRIBUTE BEER AND LIGHT WINE PRODUCTS NOT PURCHASED FROM THE**  
12 **DEPARTMENT OF LIQUOR CONTROL FOR MONTGOMERY COUNTY; AND**

13                                   **(II)   THE DEPARTMENT OF LIQUOR CONTROL FOR**  
14 **MONTGOMERY COUNTY TO CLASSIFY THE BEER AND LIGHT WINE PRODUCTS THAT**  
15 **A PRIVATE LICENSED MARYLAND WHOLESALER MAY SELL AND DISTRIBUTE UNDER**  
16 **ITEM (I) OF THIS PARAGRAPH.**

17                                   **(4)   IF THE GOVERNING BODY OF MONTGOMERY COUNTY**  
18 **AUTHORIZES A PRIVATE LICENSED MARYLAND WHOLESALER TO SELL AND**  
19 **DISTRIBUTE BEER AND LIGHT WINE PRODUCTS AS PROVIDED UNDER PARAGRAPH**  
20 **(3)(I) OF THIS SUBSECTION, THE DEPARTMENT OF LIQUOR CONTROL FOR**  
21 **MONTGOMERY COUNTY SHALL ESTABLISH A SURCHARGE TO BE PAID BY A PRIVATE**  
22 **LICENSED MARYLAND WHOLESALER THAT IS:**

23                                   **(I)   BASED ON THE VOLUME OF ALCOHOL SOLD BY THE PRIVATE**  
24 **LICENSED MARYLAND WHOLESALER;**

25                                   **(II)   SET AT A LEVEL SUFFICIENT TO REPLACE THE**  
26 **DEPARTMENT OF LIQUOR CONTROL FOR MONTGOMERY COUNTY’S ESTIMATED**  
27 **REVENUE LOST BY ALLOWING PRIVATE LICENSED MARYLAND WHOLESALERS TO**  
28 **SELL AND DISTRIBUTE BEER AND LIGHT WINE PRODUCTS CLASSIFIED UNDER**  
29 **PARAGRAPH (3)(II) OF THIS SUBSECTION;**

1                                   **(III) STRUCTURED IN A WAY THAT DOES NOT IMPACT PRICES IN**  
2 **OTHER JURISDICTIONS IN THE STATE; AND**

3                                   **(IV) ESTABLISHED BY EXECUTIVE ORDER.**

4                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2016.