

HOUSE BILL 1165

A1, C2

3lr0346

By: **Delegate Wilson**

Introduced and read first time: February 10, 2023

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 11, 2023

CHAPTER _____

1 AN ACT concerning

2 **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.

8 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

14 (2016 Volume and 2022 Supplement)

15 BY repealing and reenacting, with amendments,

16 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),
21 2–132.1(b) and (c)(2), 2–132.2(b), (f), and (g), 2–133(b), (e)(6), (g), and (i),
22 2–135(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)

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.



1 and (4) and (b), 2–151(g) and (h), 2–152(a), 2–158(b), 2–164(e)(2), 2–201,
 2 2–202(g) and (k), 2–203(g), 2–204(f) and (i), 2–205(d), 2–206(b)(3)(ii) and (9),
 3 (d), (f), and (h), 2–207(e) and (i)(1), 2–208(e) and (i), 2–209(i) and (j),
 4 2–210(c)(2) and (6), (i)(2), (j), and (k), 2–213, 2–219(b)(4) and (c), 2–301,
 5 2–302(d), 2–303(d), 2–304(d), 2–305(d), 2–306(d), 2–307(e), 2–308(e),
 6 2–308.1(e), 2–312(a), 2–401, 2–402(a), 2–404(b), 2–405(a), 2–406(a), 2–407(a)
 7 and (d)(1)(vi), 2–408(b), 2–502(a), 2–506(b), 3–101, 3–107, 3–108(b)(6),
 8 3–201(a), 3–202 through 3–205, 3–206(a), 3–207(b)(2), 3–301(b)(4), 3–302
 9 through 3–304, 3–401, 3–402, 3–404(b), 3–405(b), 3–406, 3–407(a) and (c),
 10 3–504(c) and (g), 3–601, 3–602(a) and (c), 3–603, 3–604(a)(1), 3–605(a),
 11 3–606(c), 3–701(b), 3–703, 3–704(a), 3–802, 3–803(a), 3–901, 4–108, 4–109(b),
 12 4–206(c), 4–505(c) and (g), 4–1104(d)(2) and (3), 4–1105(d)(2) and (3),
 13 4–1202(b), 5–303(b), 6–101(c)(2), 6–103, 6–104, 6–105(b), 6–107(a) and (b),
 14 6–108(b), 6–202(a), 6–203, 6–204(a), 6–205(b), 6–308(a)(3), 6–319(a)(3),
 15 6–328(a)(4), 9–1403, 11–206(a), 11–207, 11–1406, 11–2102(a), 12–403(c)(2)
 16 and (3), 15–1001(i), 15–1309(c)(2) and (d), 16–405(b)(4), 19–403(d), 19–404(c),
 17 20–1009(b), 21–1311(c) and (d), 23–403(b), 23–902(f), 24–1310(c) and (d),
 18 25–314(a)(3) and (b), 25–405(c) and (e)(2) and (3), 30–403(b), 30–404(b),
 19 31–404(c), 31–1007(h), 32–311(a), 32–312(a)(3) and (b), 32–403(b) and (c),
 20 32–405(a), 32–1001(i), 33–309(a), and 33–504(b)(1) and (4) and (d)

21 Annotated Code of Maryland
 22 (2016 Volume and 2022 Supplement)

23 BY repealing and reenacting, with amendments,
 24 Article – Business Regulation
 25 Section 16–308.2, 17–101, 17–202, and 17–2104
 26 Annotated Code of Maryland
 27 (2015 Replacement Volume and 2022 Supplement)

28 BY repealing and reenacting, with amendments,
 29 Article – Commercial Law
 30 Section 11–501, 11–506 through 11–508, 11–5A–01, and 11–5A–03
 31 Annotated Code of Maryland
 32 (2013 Replacement Volume and 2022 Supplement)

33 BY repealing and reenacting, with amendments,
 34 Article – Courts and Judicial Proceedings
 35 Section 5–523
 36 Annotated Code of Maryland
 37 (2020 Replacement Volume and 2022 Supplement)

38 BY repealing and reenacting, with amendments,
 39 Article – Criminal Law
 40 Section 10–107(b)(2) and 10–108(a)
 41 Annotated Code of Maryland
 42 (2021 Replacement Volume and 2022 Supplement)

- 1 BY repealing and reenacting, with amendments,
2 Article – Health – General
3 Section 18–213(a)(5) and 24–307(b), (c), and (f)(1)
4 Annotated Code of Maryland
5 (2019 Replacement Volume and 2022 Supplement)
- 6 BY repealing and reenacting, without amendments,
7 Article – Tax – General
8 Section 1–101(a) and 5–101(a)
9 Annotated Code of Maryland
10 (2022 Replacement Volume)
- 11 BY adding to
12 Article – Tax – General
13 Section 1–101(g–2)
14 Annotated Code of Maryland
15 (2022 Replacement Volume)
- 16 BY repealing and reenacting, with amendments,
17 Article – Tax – General
18 Section 1–205(b), 2–102(b), 2–103, 2–105(b) and (c), 2–107(e), 2–108, 2–303,
19 5–101(n) and (o), 12–203(b), 12–204, 13–710, 13–835(a), 13–836(a)(1) and
20 (b)(1) and (2), 13–837, 13–838(b)(3), 13–839, and 13–841(a), (b), and (d)
21 Annotated Code of Maryland
22 (2022 Replacement Volume)
- 23 BY repealing
24 Article – Tax – General
25 Section 5–101(m) and 13–1011
26 Annotated Code of Maryland
27 (2022 Replacement Volume)
- 28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
29 That the Laws of Maryland read as follows:
- 30 **Article – Alcoholic Beverages**
- 31 1–101.
- 32 (a) In this article the following words have the meanings indicated.
- 33 (ff) “Tobacco” includes cigarettes regulated under Title 16 of the Business
34 Regulation Article and other tobacco and related products regulated under Titles 16.5
35 [and], 16.7, OR 16.9 of the Business Regulation Article.
- 36 1–313.

1 (b) (2) The officers and employees of the Field Enforcement Division:

2 (ii) shall have the powers, duties, and responsibilities of peace
3 officers to enforce the provisions of this article relating to:

4 4. the manufacture, sale, barter, transportation,
5 distribution, or other form of owning, handling, or dispersing alcoholic beverages or tobacco
6 by any person not licensed or authorized under this article, provisions of the Tax – General
7 Article relating to alcoholic beverages or tobacco, or provisions of the Business Regulation
8 Article relating to **ALCOHOLIC BEVERAGES OR** tobacco; and

9 (iii) may make cooperative arrangements for and work and cooperate
10 with the Office of the Comptroller, local State's Attorneys, sheriffs, bailiffs, police, and other
11 prosecuting and peace officers to enforce this article.

12 1–314.

13 The Executive Director may delegate authority under this article, provisions of the
14 Tax – General Article relating to alcoholic beverages and tobacco, and provisions of the
15 Business Regulation Article relating to tobacco to the Division director **OR A DESIGNEE** to
16 issue or refuse to issue licenses and permits.

17 1–404.

18 Before a license or alcoholic beverages permit may be issued to an employer to engage
19 in an activity in which the employer may employ a covered employee, as defined in § 9–101
20 of the Labor and Employment Article, the employer shall file with the **[Comptroller]**
21 **EXECUTIVE DIRECTOR** or local licensing board:

22 (1) a certificate of compliance with the Maryland Workers' Compensation
23 Act; or

24 (2) the number of a workers' compensation insurance policy or binder.

25 1–406.

26 (c) The **[Comptroller] EXECUTIVE DIRECTOR** may adopt regulations covering
27 warehouse receipt transactions.

28 1–409.

29 (a) A local licensing board shall:

30 (1) maintain a record of:

31 (i) each license that the local licensing board issues; and

1 (ii) any revocation, suspension, or cancellation of a license and any
2 restriction imposed on a license with a brief explanation of the reason for the action; and

3 (2) submit the record to the [Comptroller] **EXECUTIVE DIRECTOR**; and

4 (3) allow any individual to inspect the records at the office of the local
5 licensing board during regular business hours.

6 1-410.

7 (a) (1) On written request of the [Comptroller] **EXECUTIVE DIRECTOR**, each
8 person, including a common carrier, that transports alcoholic beverages in the State in
9 interstate or intrastate commerce shall report all consignments or deliveries of alcoholic
10 beverages for the period that the [Comptroller] **EXECUTIVE DIRECTOR** specifies.

11 (2) The reports shall be under oath and on the form that the [Comptroller]
12 **EXECUTIVE DIRECTOR** requires.

13 (b) If required by the [Comptroller] **EXECUTIVE DIRECTOR**, the reports shall
14 state:

15 (1) the name and address of the person to whom the delivery has been
16 made;

17 (2) the name and address of the original consignee, if alcoholic beverages
18 have been delivered to any person other than the originally named consignee;

19 (3) the point of origin;

20 (4) the point of delivery;

21 (5) the date of delivery;

22 (6) (i) the number and initials of each car, if the alcoholic beverages are
23 shipped by rail;

24 (ii) the name of the water vessel, if the alcoholic beverages are
25 shipped by water;

26 (iii) the license number of each truck, if the alcoholic beverages are
27 shipped by truck; or

28 (iv) the manner in which the delivery was made, if the delivery is by
29 other means;

1 (7) each kind of alcoholic beverages contained in the shipment and the
2 number of gallons of each kind; and

3 (8) any other information relative to shipments that the [Comptroller]
4 **EXECUTIVE DIRECTOR** requires.

5 2–102.

6 (a) A person shall apply to the [Comptroller] **EXECUTIVE DIRECTOR** for a
7 permit under this subtitle on the form the [Comptroller] **EXECUTIVE DIRECTOR** provides.

8 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall adopt regulations for
9 permits under this subtitle regarding:

10 (1) the procedure for issuing permits;

11 (2) the purchase of alcoholic beverages; and

12 (3) the exercise of the privileges granted under each type of permit.

13 2–103.

14 (a) On receipt of an application, the [Comptroller] **EXECUTIVE DIRECTOR** shall
15 order an investigation of:

16 (1) the applicant;

17 (2) the business to be operated; and

18 (3) the statements presented in the permit application.

19 (b) On completion of the investigation, the [Comptroller] **EXECUTIVE**
20 **DIRECTOR** shall deny the permit application if in the judgment of the [Comptroller]
21 **EXECUTIVE DIRECTOR**:

22 (1) the applicant:

23 (i) is not fit to receive the permit;

24 (ii) made a material false statement in the application; or

25 (iii) committed fraud in connection with the application; or

26 (2) there are other reasons that the permit should not be issued.

1 (c) If the [Comptroller] **EXECUTIVE DIRECTOR** does not find cause to deny the
2 permit, the [Comptroller] **EXECUTIVE DIRECTOR** shall approve the application and issue
3 the permit.

4 2-106.

5 The [Comptroller] **EXECUTIVE DIRECTOR** may restrict, suspend, or revoke a
6 permit issued under this subtitle.

7 2-111.

8 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a person:

9 (1) whose alcoholic beverage license has expired or otherwise been
10 discontinued; and

11 (2) who applies for a permit within 60 days after the last day on which the
12 license was effective.

13 (d) (1) The permit:

14 (i) covers only a specific transaction; and

15 (ii) expires 10 days after it is issued.

16 (2) If the permit holder shows an undue burden, the [Comptroller]
17 **EXECUTIVE DIRECTOR** may grant a reasonable extension of the permit.

18 2-113.

19 (c) In Anne Arundel County, a retailer is required to have written approval from
20 the Board of License Commissioners before applying to the [Comptroller] **EXECUTIVE**
21 **DIRECTOR** for the permit.

22 2-114.

23 (c) (1) The [Comptroller] **EXECUTIVE DIRECTOR** shall provide a means of
24 identification for each vehicle authorized under the permit.

25 (2) The identification shall be kept in or on the vehicle at all times when
26 the vehicle transports alcoholic beverages.

27 2-115.

28 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a
29 nonresident dealer permit holder.

1 (e) (1) Each month the permit holder shall file a report of its storage and
2 shipping activities with the [Comptroller] **EXECUTIVE DIRECTOR**.

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

5 2–116.

6 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to an
7 individual who:

8 (1) is at least 21 years old;

9 (2) is a resident of the State;

10 (3) files with the [Comptroller] **EXECUTIVE DIRECTOR** an inventory of
11 all alcoholic beverages to be sold; and

12 (4) certifies that all alcoholic beverages to be sold:

13 (i) have been acquired legally and transported into the State in
14 accordance with this article; and

15 (ii) are owned by the individual at the time of application.

16 (g) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt regulations regarding
17 any activity relating to the permit, including record-keeping and reporting requirements.

18 2–118.

19 (c) (1) The [Comptroller] **EXECUTIVE DIRECTOR** shall provide a means of
20 identification for each vehicle authorized under the permit.

21 (2) The identification shall be kept in or on the vehicle at all times when
22 the vehicle transports alcoholic beverages.

23 2–119.

24 (c) (1) The [Comptroller] **EXECUTIVE DIRECTOR** shall provide a means of
25 identification for each vehicle authorized under the permit.

26 (2) The identification shall be kept in or on the vehicle at all times when
27 the vehicle transports alcoholic beverages.

28 2–124.

1 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to:

2 (1) a bottler, brewer, distiller, manufacturer, rectifier, vintner, or winery;

3 (2) a sales agent of a person described in item (1) of this subsection, on
4 presentation of proof of the sales agency relationship to the [Comptroller] **EXECUTIVE**
5 **DIRECTOR**;

6 (3) an importer of beer, wine, or distilled spirits produced outside the
7 United States that purchases directly from the brand owner or from a sales agent of a
8 person described in item (1) of this subsection that:

9 (i) is authorized by the brand owner to sell in the State; and

10 (ii) provides proof of the sales agency relationship to the
11 [Comptroller] **EXECUTIVE DIRECTOR**; or

12 (4) an American sales agent of an importer described in item (3) of this
13 subsection, on presentation of proof of the sales agency relationship to the [Comptroller]
14 **EXECUTIVE DIRECTOR**.

15 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may not issue the permit to a
16 person that:

17 (1) is a holder of a wholesaler's license or retail license;

18 (2) has an interest in a wholesaler licensed under this article; or

19 (3) has an interest in any retail license holder.

20 2-125.

21 (b) (1) Subject to paragraph (2) of this subsection, the [Comptroller]
22 **EXECUTIVE DIRECTOR** may issue the permit to:

23 (i) an importer of beer, wine, or distilled spirits produced outside the
24 United States that:

25 1. purchases directly from the brand owner or from a sales
26 agent of a bottler, brewer, distiller, manufacturer, rectifier, vintner, or winery;

27 2. is authorized by the brand owner to sell in the State; and

28 3. provides proof of the sales agency relationship to the
29 [Comptroller] **EXECUTIVE DIRECTOR**; or

1 (ii) an American sales agent of an importer under item (i) of this
2 paragraph, on presentation of proof of the sales agency relationship to the [Comptroller]
3 **EXECUTIVE DIRECTOR**.

4 (2) An individual applicant, an applicant qualifying as a resident applicant
5 for a corporation, or each applicant for a partnership is not eligible for the permit unless
6 the individual is a resident of the State at the time the application is filed and remains a
7 resident for the duration of time the permit is in effect.

8 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may not issue the permit to a
9 person that:

10 (1) is a holder of a wholesaler's license or retail license;

11 (2) has an interest in a wholesaler licensed under this article; or

12 (3) has an interest in any retail license holder.

13 (d) The permit authorizes the holder to sell alcoholic beverages to:

14 (1) a holder of a wholesaler's license; or

15 (2) a person outside the State that the [Comptroller] **EXECUTIVE**
16 **DIRECTOR** authorizes to acquire the alcoholic beverages.

17 2-130.

18 (b) The [Commission] **EXECUTIVE DIRECTOR** may issue the permit to a holder
19 of any of the following licenses who meets the requirements of this section:

20 (1) Class 1 distillery license;

21 (2) Class 3 winery license;

22 (3) Class 4 limited winery license;

23 (4) Class 5 brewery license;

24 (5) Class 7 micro-brewery license;

25 (6) Class 8 farm brewery license; or

26 (7) Class 9 limited distillery license.

1 (g) An applicant for a permit shall complete an application on a form that the
2 [Commission] **EXECUTIVE DIRECTOR** authorizes.

3 (h) The permit holder shall notify the [Commission] **EXECUTIVE DIRECTOR** of
4 the permit holder's intention to attend an event within a period of time that the
5 [Commission] **EXECUTIVE DIRECTOR** determines on the form that the [Commission]
6 **EXECUTIVE DIRECTOR** authorizes.

7 (i) The [Commission] **EXECUTIVE DIRECTOR** may adopt regulations to require
8 the permit holder to notify the local licensing board of the jurisdiction where the event is
9 being held of the permit holder's intention to attend the event.

10 2-131.

11 (a) In this section, "off-site permit" includes:

12 (1) a [brewing company] **MANUFACTURER** off-site permit; **AND**

13 (2) [a distillery off-site permit;

14 (3)] a retail off-site permit[; and

15 (4) a winery off-site permit].

16 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a
17 nonprofit organization, as defined by § 501(c) of the Internal Revenue Code, that meets the
18 requirements of this section.

19 (f) (1) Not less than 30 days before the nonprofit beer, wine, and liquor
20 festival, a person shall submit an application to the [Comptroller] **EXECUTIVE**
21 **DIRECTOR**.

22 (2) The application shall:

23 (i) be on a form that the [Comptroller] **EXECUTIVE DIRECTOR**
24 provides;

25 (ii) state that the primary purpose of the nonprofit beer, wine, and
26 liquor festival is to promote Maryland beer, wine, and liquor;

27 (iii) provide details of the nonprofit beer, wine, and liquor festival,
28 including the location, dates, and times of operation; and

29 (iv) include appropriate evidence that the applicant has been given
30 permission by the owner of the property where the nonprofit beer, wine, and liquor festival
31 is to be held.

1 (g) Not less than 15 days before the nonprofit beer, wine, and liquor festival, the
2 permit holder shall provide the [Comptroller] **EXECUTIVE DIRECTOR** with a list of
3 off-site permit holders that will attend.

4 2-132.

5 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a person
6 that:

7 (1) is licensed outside the State to engage in the manufacture of beer;

8 (2) produces in the aggregate from all of its locations not more than 22,500
9 barrels of beer annually; and

10 (3) does not hold a nonresident dealer's permit.

11 (c) (2) The permit holder shall comply with all the requirements of this article,
12 the Tax – General Article, and the regulations of the Comptroller **OR EXECUTIVE**
13 **DIRECTOR** that apply to a holder of a Class 7 limited beer wholesaler's license.

14 2-132.1.

15 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a person
16 that:

17 (1) is licensed outside the State to engage in the manufacture of liquor;

18 (2) produces in the aggregate from all of its locations not more than 100,000
19 gallons of liquor annually; and

20 (3) does not hold a nonresident dealer's permit.

21 (c) (2) The permit holder shall comply with all the requirements of this article,
22 the Tax – General Article, and the regulations of the Comptroller **OR EXECUTIVE**
23 **DIRECTOR** that apply to a holder of a Class 8 limited liquor wholesaler's license.

24 2-132.2.

25 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may grant the permit to a holder
26 of a Class 1 distillery license or a Class 9 limited distillery license that meets the
27 requirements of this section.

28 (f) An applicant for a permit shall complete an application on a form that the
29 [Comptroller] **EXECUTIVE DIRECTOR** provides.

1 (g) (1) (i) The permit holder shall notify the [Comptroller] **EXECUTIVE**
2 **DIRECTOR** of the permit holder's intention to attend an event within a time period that
3 the [Comptroller] **EXECUTIVE DIRECTOR** determines.

4 (ii) The notice shall be on a form that the [Comptroller] **EXECUTIVE**
5 **DIRECTOR** provides.

6 (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt regulations to
7 require the permit holder to notify the local licensing board for the jurisdiction where the
8 event is being held of the permit holder's intention to attend the event.

9 2-133.

10 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a Class 4
11 limited winery that meets the requirements of this section.

12 (e) The permit may be used only:

13 (6) at a nonprofit beer, wine, and liquor festival that:

14 (i) has as its primary purpose the promotion of Maryland beer, wine,
15 and liquor; and

16 (ii) is authorized by the [Comptroller] **EXECUTIVE DIRECTOR**
17 under § 2-131 of this subtitle.

18 (g) (1) (i) The permit holder shall notify the [Comptroller] **EXECUTIVE**
19 **DIRECTOR** of the permit holder's intention to attend an off-site event within a time period
20 that the [Comptroller] **EXECUTIVE DIRECTOR** determines.

21 (ii) The notice shall be on a form that the [Comptroller] **EXECUTIVE**
22 **DIRECTOR** provides.

23 (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt regulations to
24 require the permit holder to notify the board of license commissioners in the county where
25 the event is being held of the permit holder's intention to attend an off-site event.

26 (i) A person shall submit the application for the permit to the [Comptroller]
27 **EXECUTIVE DIRECTOR** on a form the [Comptroller] **EXECUTIVE DIRECTOR** provides.

28 2-135.

29 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a person
30 that:

31 (1) is licensed outside the State to engage in the manufacture of wine;

1 (2) produces not more than 27,500 gallons of its own wine annually; and

2 (3) does not hold a nonresident dealer's permit under § 2-124 of this
3 subtitle.

4 (d) The permit holder shall comply with requirements that apply to a holder of a
5 Class 6 limited wine wholesaler's license under:

6 (1) this article;

7 (2) the Tax – General Article; and

8 (3) the regulations of the Comptroller **OR THE EXECUTIVE DIRECTOR**.

9 2-136.

10 (b) (1) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a
11 holder of a license issued by a local licensing board:

12 (i) that allows the license holder to sell alcoholic beverages to the
13 public for off-premises consumption; and

14 (ii) other than a chain store.

15 2-137.

16 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a
17 charitable organization.

18 (l) (1) Wine purchased at a charity wine auction shall be delivered to the
19 purchaser:

20 (i) at the event; or

21 (ii) from a licensed warehouse, licensed retail dealer's premises, or
22 other premises that the [Comptroller] **EXECUTIVE DIRECTOR** approves.

23 (2) Wine delivered under this subsection is subject to applicable sales
24 taxes.

25 2-138.

26 (d) The [Comptroller] **EXECUTIVE DIRECTOR** may restrict the permit holder to
27 the production of family-produced beer or family-produced wine.

1 (f) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt regulations regarding
2 any activity relating to the operation of the facility, including limits on the quantities of
3 beer and wine produced and record keeping.

4 2-139.

5 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the permit to a bona
6 fide alcohol trade association.

7 2-140.

8 (a) The [Commission] **EXECUTIVE DIRECTOR** may issue a brewery special
9 event permit to a holder of a Class 5 brewery license or a Class 8 farm brewery license.

10 (b) At least 15 days before holding a special event, the license holder shall obtain
11 a permit from the [Commission] **EXECUTIVE DIRECTOR** by filing a notice of the special
12 event on the form that the [Commission] **EXECUTIVE DIRECTOR** provides.

13 (c) The permit authorizes the license holder to conduct at the location listed on
14 the license a special event at which the license holder may:

15 (3) in a segregated area approved by the [Commission] **EXECUTIVE**
16 **DIRECTOR** at the location listed on the license, store the products of other Maryland
17 breweries.

18 2-143.

19 A person shall be issued a direct wine shipper's permit by the [Comptroller]
20 **EXECUTIVE DIRECTOR** before the person may engage in shipping wine directly to a
21 consumer in the State.

22 2-145.

23 (a) An applicant for a direct wine shipper's permit shall:

24 (1) submit to the [Comptroller] **EXECUTIVE DIRECTOR** a completed
25 application on a form that the [Comptroller] **EXECUTIVE DIRECTOR** provides;

26 (2) provide to the [Comptroller] **EXECUTIVE DIRECTOR** a copy of the
27 applicant's current license;

28 (3) identify the wines manufactured by the applicant that the applicant
29 intends to ship into the State; and

30 (4) pay a fee of \$200 for initial issuance of the direct wine shipper's permit.

1 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall issue a direct wine shipper's
2 permit to each applicant who meets the requirements of this part for the permit.

3 2-148.

4 (a) A direct wine shipper shall:

5 (2) report to the Comptroller **AND THE EXECUTIVE DIRECTOR**
6 information about the direct wine shipper's wine shipments, in a manner that the
7 Comptroller [determines] **AND THE EXECUTIVE DIRECTOR DETERMINE**;

8 (6) allow the Comptroller **AND THE EXECUTIVE DIRECTOR** to perform an
9 audit of the direct wine shipper's records on request; and

10 (7) consent to the jurisdiction of the Comptroller, **THE EXECUTIVE**
11 **DIRECTOR**, or other State unit and the State courts concerning enforcement of this section
12 and any related law.

13 2-149.

14 (a) A direct wine shipper may renew its direct wine shipper's permit each year if
15 the direct wine shipper:

16 (2) provides to the [Comptroller] **EXECUTIVE DIRECTOR** a copy of its
17 current permit;

18 (4) pays to the [Comptroller] **EXECUTIVE DIRECTOR** a renewal fee of
19 \$200.

20 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may deny a renewal application
21 of a direct wine shipper who fails to:

22 (1) file a tax return required under this part;

23 (2) pay a fee or tax when due; or

24 (3) after receiving notice, comply with this article or a regulation that the
25 Comptroller **OR EXECUTIVE DIRECTOR** adopts [under this article].

26 2-151.

27 (g) At the time of initial application for a common carrier permit and on request
28 of the [Comptroller] **EXECUTIVE DIRECTOR**, a common carrier shall submit to the
29 [Comptroller] **EXECUTIVE DIRECTOR** information concerning the training of its drivers
30 in verifying the age of recipients of direct wine shipments under this part.

1 (h) At least once each year, in a manner acceptable to the [Comptroller]
2 **EXECUTIVE DIRECTOR**, a holder of a common carrier permit shall verify that the shipper
3 of wine into the State under this part holds a valid direct wine shipper's permit.

4 2-152.

5 (a) A common carrier shall report quarterly to the [Comptroller] **EXECUTIVE**
6 **DIRECTOR**:

7 (1) the date of each delivery of wine in the State; and

8 (2) the name and address of the direct wine shipper and the receiving
9 consumer of each delivery.

10 2-158.

11 (b) The permit authorizes the holder to conduct an alcohol awareness program as
12 certified by the [Comptroller] **EXECUTIVE DIRECTOR** under § 4-505 of this article.

13 2-164.

14 (e) (2) The [Comptroller] **EXECUTIVE DIRECTOR** shall issue the permit
15 without the payment of a fee to:

16 (i) a charitable organization; or

17 (ii) a holder of a fuel-alcohol permit.

18 2-201.

19 Each license specified in this subtitle is a manufacturer's license that the
20 [Commission] **EXECUTIVE DIRECTOR** issues.

21 2-202.

22 (g) At least 14 days before holding a planned promotional event after 6 p.m., a
23 license holder shall file a notice of the promotional event with the [Comptroller]
24 **EXECUTIVE DIRECTOR** on the form that the [Comptroller] **EXECUTIVE DIRECTOR**
25 provides.

26 (k) The annual license fee:

27 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

28 (2) may not exceed \$2,000.

1 2–203.

2 (g) The annual license fee:

3 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

4 (2) may not exceed \$500.

5 2–204.

6 (f) At least 14 days before holding a planned promotional event after 6 p.m., a
7 license holder shall file a notice of the promotional event with the [Comptroller]
8 **EXECUTIVE DIRECTOR** on the form that the [Comptroller] **EXECUTIVE DIRECTOR**
9 provides.

10 (i) The annual license fee:

11 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

12 (2) may not exceed \$600.

13 2–205.

14 (d) The annual license fee:

15 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

16 (2) may not exceed \$750.

17 2–206.

18 (b) (3) (ii) The Secretary shall adopt regulations governing the granting of
19 an exemption under subparagraph (i) of this paragraph, after consultation with the
20 [Governor's Wine and Grape] Advisory Commission **ON MARYLAND ALCOHOL**
21 **MANUFACTURING**, the Maryland Grape Growers Association, the Maryland Wineries
22 Association, and other interested parties.

23 (9) At least 14 days before holding a planned promotional event after 6
24 p.m., a license holder shall file a notice of the promotional event with the [Comptroller]
25 **EXECUTIVE DIRECTOR** on the form that the [Comptroller] **EXECUTIVE DIRECTOR**
26 provides.

27 (d) A license holder may:

28 (1) store on its licensed premises, in a segregated area approved by the
29 [Comptroller] **EXECUTIVE DIRECTOR**, the product of other Class 4 limited wineries to be

1 used at Maryland Wineries Association promotional activities, provided records are
2 maintained and reports filed regarding the storage under this item as may be required by
3 the [Comptroller] **EXECUTIVE DIRECTOR**;

4 (2) distill and bottle not more than 1,900 gallons of pomace brandy made
5 from available Maryland agricultural products;

6 (3) purchase bulk wine fermented by a manufacturer licensed under this
7 article and blend the wine with the license holder's wine and pomace brandy if the
8 aggregate purchase does not exceed 25% of the license holder's annual wine and pomace
9 brandy production;

10 (4) purchase pomace brandy only for blending with wine;

11 (5) import, export, and transport its wine and pomace brandy in accordance
12 with this section; and

13 (6) produce wine and pomace brandy at a warehouse for which the license
14 holder has been issued an individual storage permit, if:

15 (i) the license holder does not serve or sell wine or pomace brandy
16 at a warehouse to the public; and

17 (ii) the [Comptroller] **EXECUTIVE DIRECTOR** has full access at all
18 times to the warehouse to enforce this article.

19 (f) If a license holder maintains the records and files the reports that the
20 Comptroller [requires] **AND THE EXECUTIVE DIRECTOR REQUIRE**, the license holder
21 may:

22 (1) in the State, conduct winemaking and packaging activities at another
23 federally bonded winery or limited winery; or

24 (2) outside the State, conduct winemaking and packaging activities, other
25 than fermentation, at another federally bonded winery.

26 (h) The annual license fee:

27 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

28 (2) may not exceed \$200.

29 2-207.

30 (e) The annual licenses fee:

31 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

1 (2) may not exceed \$1,500.

2 (i) (1) (i) The [Commission] **EXECUTIVE DIRECTOR** may issue a
3 refillable container permit for draft beer under § 4–1104 or Subtitle 11 of the various titles
4 in Division II of this article to a holder of a Class 5 brewery license:

5 1. on completion of an application form that the
6 [Commission] **EXECUTIVE DIRECTOR** provides; and

7 2. at no cost to the holder of the Class 5 brewery license.

8 (ii) A refillable container permit may be renewed each year
9 concurrently with the renewal of the Class 5 brewery license.

10 2–208.

11 (e) Except for a license transferred to a new location, the license may be
12 transferred under Title 4, Subtitle 3 of this article if an application for transfer is filed at
13 the same time with the local licensing board and the [Comptroller] **EXECUTIVE**
14 **DIRECTOR**.

15 (i) (1) On or before October 1 each year, the [Comptroller] **COMMISSION**
16 shall report to the Senate Education, Health, and Environmental Affairs Committee and
17 the House Economic Matters Committee, in accordance with § 2–1257 of the State
18 Government Article, the total beer production of each Class 6 license holder in the
19 preceding fiscal year, identified by jurisdiction and license holder.

20 (2) Each holder of a Class 6 license shall report to the [Comptroller]
21 **EXECUTIVE DIRECTOR** the information needed to prepare the annual report required
22 under this subsection.

23 (3) The [Comptroller] **COMMISSION** shall include the information
24 reported under this subsection in the annual report submitted under § 1–316 of this article.

25 2–209.

26 (i) The annual license fee:

27 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

28 (2) may not exceed \$500.

29 (j) (1) On or before October 1 each year, the [Comptroller] **COMMISSION**
30 shall report to the Senate Education, Health, and Environmental Affairs Committee and

1 the House Economic Matters Committee, in accordance with § 2–1257 of the State
2 Government Article, on the following, identified by jurisdiction and Class 7 license holder:

3 (i) the total beer production of the license holder in the preceding
4 fiscal year; and

5 (ii) the total sales of the license holder for on-site consumption.

6 (2) Each holder of a Class 7 license shall report to the [Comptroller]
7 **EXECUTIVE DIRECTOR** the information needed to prepare the annual report required
8 under this subsection.

9 (3) The [Comptroller] **COMMISSION** shall include the information
10 reported under this subsection in the annual report submitted under § 1–306 of this article.
11 2–210.

12 (c) A license holder may:

13 (2) store, in a segregated area approved by the [Comptroller] **EXECUTIVE**
14 **DIRECTOR**, beer produced by the license holder for sale and delivery to a wholesaler
15 licensed in the State or a person outside the State authorized to acquire the beer;

16 (6) store, brew, and bottle beer in a facility listed on a permit issued to the
17 license holder in accordance with § 2–113 of this title, for sale and delivery to a wholesaler
18 licensed in the State or a person outside the State authorized to acquire the beer, or
19 shipment back to the licensed farm, if:

20 (i) the license holder does not serve or sell beer at the warehouse;
21 and

22 (ii) the [Comptroller] **EXECUTIVE DIRECTOR** has full access at all
23 times to the warehouse to enforce this article; and

24 (i) (2) In a segregated area approved by the [Commission] **EXECUTIVE**
25 **DIRECTOR** at the location listed on the license, a license holder may store the products of
26 other Maryland breweries for the multibrewery activity.

27 (j) The annual license fee:

28 (1) shall be determined by the [Commission] **EXECUTIVE DIRECTOR**; and

29 (2) may not exceed \$200.

30 (k) (1) On or before October 1 each year, the [Commission] **EXECUTIVE**
31 **DIRECTOR** shall report to the Senate Education, Health, and Environmental Affairs

1 Committee and the House Economic Matters Committee, in accordance with § 2–1257 of
2 the State Government Article, the total beer production of each Class 8 license holder in
3 the preceding fiscal year, identified by jurisdiction and license holder.

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

7 (3) The [Commission] **EXECUTIVE DIRECTOR** shall include the
8 information reported under this subsection in the annual report submitted under § 1–316
9 of this article.

10 2–213.

11 (a) In addition to any license fee otherwise required under this article, an
12 applicant for initial issuance of a manufacturer’s license shall pay to the [Comptroller]
13 **EXECUTIVE DIRECTOR** a nonrefundable application fee of \$200.

14 (b) In addition to any license fee otherwise required under this article, an
15 applicant for renewal of a manufacturer’s license shall pay to the [Comptroller]
16 **EXECUTIVE DIRECTOR** a renewal fee of \$30.

17 2–219.

18 (b) A holder of a manufacturer’s license may sell and deliver a product produced
19 under the holder’s license to an individual located in the State if:

20 (4) the deliverer and the individual receiving the delivery each endorse a
21 delivery form that the [Commission] **EXECUTIVE DIRECTOR** approves at the time of
22 delivery certifying that:

23 (i) the individual receiving the delivery claimed to be at least 21
24 years old and the claim was supported by documentary evidence;

25 (ii) the individual receiving the delivery knew that it is a criminal
26 offense for alcoholic beverages to be given to an individual under the age of 21 years; and

27 (iii) the deliverer examined the recipient’s identification.

28 (c) A holder of a manufacturer’s license may directly ship alcohol to a consumer
29 on request, if the [Commission] **EXECUTIVE DIRECTOR** authorizes the direct shipment
30 after determining that:

31 (1) the shipment can be completed safely using a common carrier in
32 accordance with other applicable laws; and

1 (2) all applicable sales and excise taxes are paid.

2 2–301.

3 Each license specified in this title is a wholesaler’s license that the [Comptroller]
4 **EXECUTIVE DIRECTOR** issues.

5 2–302.

6 (d) The license holder may use an additional location for the warehousing, sale,
7 and delivery of beer, wine, and liquor:

8 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
9 submission of a separate application for each location; and

10 (2) on the payment of a \$2,000 fee for each additional location.

11 2–303.

12 (d) The license holder may use an additional location for the warehousing, sale,
13 and delivery of wine and liquor:

14 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
15 submission of a separate application for each location; and

16 (2) on the payment of a \$1,750 fee for each additional location.

17 2–304.

18 (d) The license holder may use an additional location for the warehousing, sale,
19 and delivery of beer and wine:

20 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
21 submission of a separate application for each location; and

22 (2) on the payment of a \$1,500 fee for each additional location.

23 2–305.

24 (d) The license holder may use an additional location for the warehousing, sale,
25 and delivery of beer:

26 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
27 submission of a separate application for each location; and

28 (2) on the payment of a \$1,250 fee for each additional location.

1 2-306.

2 (d) The license holder may use an additional location for the warehousing, sale,
3 and delivery of wine:

4 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
5 submission of a separate application for each location; and

6 (2) on the payment of a \$1,250 fee for each additional location.

7 2-307.

8 (e) The license holder may use an additional location for the warehousing, sale,
9 and delivery of wine:

10 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
11 submission of a separate application for each location; and

12 (2) on the payment of a \$50 fee for each additional location.

13 2-308.

14 (e) The license holder may use an additional location for the warehousing, sale,
15 and delivery of beer:

16 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
17 submission of a separate application for each location; and

18 (2) on the payment of a \$50 fee for each additional location.

19 2-308.1.

20 (e) The license holder may use an additional location for the warehousing, sale,
21 and delivery of liquor:

22 (1) if approved by the [Comptroller] **EXECUTIVE DIRECTOR** following
23 submission of a separate application for each location; and

24 (2) on the payment of a \$100 fee for each additional location.

25 2-312.

26 (a) Subject to subsection (b) of this section, a holder of a wholesaler's license may
27 directly import alcoholic beverages of the type indicated on the license from outside the
28 continental limits and possessions of the United States if the brand owner provides notice

1 to the [Comptroller] **EXECUTIVE DIRECTOR** of the license holder's jurisdiction and
2 authority to sell the alcoholic beverages.

3 2-401.

4 A license or permit is not required for a transport plane furnished with a cocktail
5 lounge or a water vessel carrying passengers or cargo to a foreign port if:

6 (1) alcoholic beverages are purchased from a manufacturer or wholesaler;
7 and

8 (2) satisfactory evidence is submitted in writing to the [Comptroller]
9 **EXECUTIVE DIRECTOR** that the alcoholic beverages are for sale or use beyond the
10 continental limits and possessions of the United States.

11 2-402.

12 (a) There is a Class E (water vessel) beer, wine, and liquor license issued by the
13 [Comptroller] **EXECUTIVE DIRECTOR**.

14 2-404.

15 (b) There is a Class F (railroad) beer and light wine license issued by the
16 [Comptroller] **EXECUTIVE DIRECTOR**.

17 2-405.

18 (a) There is a Class F (railroad) beer, wine, and liquor license issued by the
19 [Comptroller] **EXECUTIVE DIRECTOR**.

20 2-406.

21 (a) There is a Class G (aircraft) beer, wine, and liquor license issued by the
22 [Comptroller] **EXECUTIVE DIRECTOR**.

23 2-407.

24 (a) (1) An applicant for a Class E, Class F, or Class G license shall submit to
25 the [Comptroller] **EXECUTIVE DIRECTOR** an application in the form that the
26 [Comptroller] **EXECUTIVE DIRECTOR** provides.

27 (2) An application shall be made under oath.

28 (d) (1) An application shall contain:

29 (vi) a statement that the entity for which the license is sought:

1 1. consents to the issuance of the license; and

2 2. except as provided in paragraph (2) of this subsection,
3 authorizes the [Comptroller] **EXECUTIVE DIRECTOR** to inspect and search at any time,
4 without warrant, the aircraft, railroad car, or water vessel to which the license applies;
5 2-408.

6 (b) (1) Before a license under subsection (a) of this section expires, the
7 [Comptroller] **EXECUTIVE DIRECTOR** shall issue a replacement license containing the
8 privileges conferred by the original license if:

9 (i) the [Comptroller] **EXECUTIVE DIRECTOR** receives from an
10 individual on behalf of the license holder an application for the replacement license within
11 10 days after the last remaining individual dies or is declared incompetent; and

12 (ii) except as provided in paragraph (2) of this subsection, the
13 application is accompanied by payment of a fee of \$1.

14 (2) In Frederick County, a fee may not be charged for a new license.

15 (3) A replacement license expires at the end of the license year.

16 2-502.

17 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may issue a State caterer's
18 license to a person that:

19 (1) is engaged in the business of catering;

20 (2) meets all State and local requirements for and holds all required
21 licenses relating to the conduct of the catering business;

22 (3) holds any catering license that may be required under this article in the
23 jurisdiction in which the person's principal place of business is located;

24 (4) (i) holds a retail license that may be annually renewed other than a
25 Class C license; or

26 (ii) does not hold a license but has a permanent office and storage
27 facility for alcoholic beverages in the State; and

28 (5) meets all other requirements of this subtitle.

29 2-506.

1 (b) If a local licensing board determines that alcoholic beverages were unlawfully
2 sold or provided at a catered event:

3 (1) the local licensing board shall report its findings to the [Comptroller]
4 **EXECUTIVE DIRECTOR**; and

5 (2) the [Comptroller] **EXECUTIVE DIRECTOR** shall take the action the
6 [Comptroller] **EXECUTIVE DIRECTOR** determines is appropriate.

7 3–101.

8 An application for a manufacturer’s license, wholesaler’s license, Class E (water
9 vessel) license, Class F (railroad) license, Class G (airplane) license, or statewide caterer’s
10 license shall be filed with the [Comptroller] **EXECUTIVE DIRECTOR**.

11 3–107.

12 The [Comptroller] **EXECUTIVE DIRECTOR** may retain from the license and permit
13 fees that are collected an amount to pay for:

14 (1) the cost of refunds issued in accordance with § 3–108(b) of this subtitle;
15 and

16 (2) the administrative expenses incurred by the [Comptroller]
17 **EXECUTIVE DIRECTOR** to discharge its duties under this article.

18 3–108.

19 (b) A refund shall be issued to a license holder on surrender of the license if:

20 (6) the issuance of a license by the [Comptroller] **EXECUTIVE DIRECTOR**
21 is reversed on judicial review and the operation of the establishment is prohibited, with the
22 refund issued to the license holder in an amount based on the date that the refusal to grant
23 the renewal becomes final; or

24 3–201.

25 (a) The [Comptroller] **EXECUTIVE DIRECTOR** shall issue each license that
26 applies statewide.

27 3–202.

28 (a) On receipt of an application, the [Comptroller] **EXECUTIVE DIRECTOR** shall
29 order an investigation of:

30 (1) the applicant;

1 (2) the business to be operated; and

2 (3) the statements presented in the license application.

3 (b) On completion of the investigation, the [Comptroller] **EXECUTIVE**
4 **DIRECTOR** shall deny the license application:

5 (1) if the [Comptroller] **EXECUTIVE DIRECTOR** determines that the
6 applicant:

7 (i) is not a fit person to receive the license;

8 (ii) made a material false statement in the application; or

9 (iii) acted fraudulently in connection with the application; or

10 (2) for other reasons that the [Comptroller] **EXECUTIVE DIRECTOR**
11 considers sufficient.

12 (c) If the [Comptroller] **EXECUTIVE DIRECTOR** does not find cause to deny the
13 license, the [Comptroller] **EXECUTIVE DIRECTOR** shall approve the application and issue
14 the license.

15 (d) (1) In addition to any license fee otherwise required under this article, an
16 applicant for the initial issuance of a manufacturer's or wholesaler's license under Title 2,
17 Subtitle 2 or 3 of this article shall pay to the [Comptroller] **EXECUTIVE DIRECTOR** a
18 nonrefundable application fee of \$200.

19 (2) The application fee under this subsection does not apply to a license for
20 which payment of an annual license fee is not otherwise required under this article.

21 3-203.

22 (a) A statewide license shall be on the form that the [Comptroller] **EXECUTIVE**
23 **DIRECTOR** provides.

24 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall number each statewide
25 license.

26 3-204.

27 Except as otherwise provided in this article, a license issued by the [Comptroller]
28 **EXECUTIVE DIRECTOR** shall be dated as of the date of issuance and shall expire on the
29 next April 30 after its issuance.

1 3–205.

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

3 (1) is not property and does not confer property rights; and

4 (2) is subject to:

5 (i) suspension, revocation, and restrictions authorized by law; and

6 (ii) regulations authorized under this article.

7 3–206.

8 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may issue a replacement license
9 to a license holder whose license is lost or destroyed on receiving:

10 (1) an application under oath; and

11 (2) payment of a \$1 fee.

12 3–207.

13 (b) This section does not apply to:

14 (2) the location, if the license was denied because the [Comptroller]
15 **EXECUTIVE DIRECTOR** determined that the applicant was not a proper person to be
16 issued the license.

17 3–301.

18 (b) A transfer under subsection (a) of this section may be made if:

19 (4) the [Comptroller] **EXECUTIVE DIRECTOR** approves the new location
20 or license holder in the same way the [Comptroller] **EXECUTIVE DIRECTOR** approves the
21 issuance of a license.

22 3–302.

23 The [Comptroller] **EXECUTIVE DIRECTOR** may not allow the transfer of a license
24 until the transferor has:

25 (1) complied with the Bulk Transfers Act under Title 6 of the Commercial
26 Law Article; and

1 (2) provided to the [Comptroller] **EXECUTIVE DIRECTOR** an affidavit
2 that certifies compliance with the Bulk Transfers Act.

3 3–303.

4 (a) An applicant shall pay to the [Comptroller] **EXECUTIVE DIRECTOR** a fee of
5 \$20, in addition to the costs of publication and notice, when filing an application for the
6 transfer of a license.

7 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall endorse on the license the
8 transfer of the license if the applicant has paid the fee required under subsection (a) of this
9 section.

10 3–304.

11 (a) For a license issued by the [Comptroller] **EXECUTIVE DIRECTOR** for the use
12 of a corporation or club, the license holder may substitute on the license the name of a
13 different officer for the name of any officer who:

14 (1) has died;

15 (2) has retired; or

16 (3) no longer holds an office in the corporation or club.

17 (b) The license holder shall file with the [Comptroller] **EXECUTIVE DIRECTOR**
18 an affidavit that contains:

19 (1) the substitution of the officer;

20 (2) an explanation for the substitution; and

21 (3) in the case of a corporation, a statement that the ownership of the
22 corporation has not changed.

23 (c) On receipt of the affidavit and after determining that the applicant qualifies
24 under this article, the [Comptroller] **EXECUTIVE DIRECTOR** shall:

25 (1) amend its records; and

26 (2) issue a corrected license.

27 3–401.

28 (a) Subject to §§ 3–405 and 3–406 of this subtitle, a holder of an expiring license
29 is entitled to an annual license renewal:

1 (1) on the approval of the license renewal application by the [Comptroller]
2 **EXECUTIVE DIRECTOR**;

3 (2) on payment of the annual license fee; and

4 (3) without filing or providing more information unless specifically
5 requested by the [Comptroller] **EXECUTIVE DIRECTOR**.

6 (b) Except as provided in §§ 3-406(a) and 3-407(c) of this subtitle, the
7 [Comptroller] **EXECUTIVE DIRECTOR** shall consider an application for license renewal in
8 the same manner as for an original application.

9 (c) (1) In addition to any license fee otherwise required under this article, an
10 applicant for renewal of a manufacturer's or wholesaler's license under Title 2, Subtitle 2
11 or 3 of this article shall pay to the [Comptroller] **EXECUTIVE DIRECTOR** a renewal fee of
12 \$30.

13 (2) The renewal fee under this subsection does not apply to a license for
14 which payment of an annual license fee is not otherwise required under this article.

15 3-402.

16 To renew a license, the license holder annually shall file a written application, under
17 oath, with the [Comptroller] **EXECUTIVE DIRECTOR**.

18 3-404.

19 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may not require the consent
20 statement under subsection (a)(2) of this section for a retail dealer applying for renewal if:

21 (1) the owner signed a comparable consent statement in connection with
22 an original or previous license renewal application;

23 (2) the consent statement under item (1) of this subsection is in effect for
24 the term of the owner's lease with the applicant; and

25 (3) the lease does not expire during the term of the license renewal.

26 3-405.

27 (b) (1) If a protest against renewing a license is filed at least 30 days before
28 the license expires, the [Comptroller] **EXECUTIVE DIRECTOR** may not approve the
29 renewal without holding a hearing.

1 (2) The [Comptroller] **EXECUTIVE DIRECTOR** shall hear and determine
2 the protest in the same manner as the [Comptroller] **EXECUTIVE DIRECTOR** hears and
3 determines an original application.

4 3–406.

5 (a) The [Comptroller] **EXECUTIVE DIRECTOR**:

6 (1) may not renew a license if the [Comptroller] **EXECUTIVE DIRECTOR**
7 determines that the license holder is not qualified to obtain a license renewal; but

8 (2) shall issue to the license holder by way of renewal the class or type of
9 license for which the [Comptroller] **EXECUTIVE DIRECTOR** determines the license holder
10 is qualified.

11 (b) (1) Subject to paragraph (2) of this subsection, the [Comptroller]
12 **EXECUTIVE DIRECTOR** shall deny a license renewal application if during the license year
13 the license holder was convicted of a State or federal offense that, in the judgment of the
14 [Comptroller] **EXECUTIVE DIRECTOR**, renders the license holder unfit or unqualified to
15 obtain a renewed license.

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

17 (i) shall hold a public hearing before renewing a license under the
18 circumstances described in paragraph (1) of this subsection; and

19 (ii) may inquire into all relevant facts and circumstances concerning
20 the offense at the hearing.

21 3–407.

22 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may issue renewed licenses for
23 the following license year between April 15 and May 1, inclusive.

24 (c) If an expiring license is subject to an order of restriction or suspension, the
25 [Comptroller] **EXECUTIVE DIRECTOR** shall issue the corresponding license renewal
26 subject to the same order.

27 3–504.

28 (c) The [Comptroller] **EXECUTIVE DIRECTOR**:

29 (1) shall approve, certify, and issue an alcohol awareness program permit
30 to each alcohol awareness program that complies with this section; and

1 (2) may require recertification of the approved alcohol awareness program
2 to ensure compliance with changes in the program.

3 (g) The [Comptroller] **EXECUTIVE DIRECTOR** may decertify the alcohol
4 awareness program of an alcohol awareness program provider who violates subsection (c),
5 (d), or (f) of this section.

6 3–601.

7 The [Comptroller] **EXECUTIVE DIRECTOR** may revoke or suspend a license or
8 permit that the [Comptroller] **EXECUTIVE DIRECTOR** issues in accordance with this
9 subtitle.

10 3–602.

11 (a) Revocation or suspension procedures may be started:

12 (1) by the [Comptroller] **EXECUTIVE DIRECTOR**, at the [Comptroller's]
13 **EXECUTIVE DIRECTOR'S** initiative;

14 (2) on the complaint of a deputy or an inspector that the [Comptroller]
15 **EXECUTIVE DIRECTOR** employs to administer this article;

16 (3) on the complaint of a peace officer;

17 (4) if the license holder or permit holder is located in a municipality that is
18 within a county, on the complaint of the mayor and council of the municipality; or

19 (5) on the written complaint of at least 10 residents, real estate owners, or
20 voters of the precinct in which the licensed premises is located.

21 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may immediately suspend a
22 license or permit for a violation of record-keeping or reporting requirements under § 1–408
23 of this article.

24 3–603.

25 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may revoke or suspend a license
26 or permit:

27 (1) for any reason to promote the peace or safety of the community in which
28 the premises are located; or

29 (2) for offenses as provided in this article.

1 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall revoke a license or permit
2 or, except as provided in § 3–606 of this subtitle, suspend a license or permit for:

3 (1) conviction of the license holder or permit holder for violation of this
4 article or a provision of the Tax – General Article that relates to the alcoholic beverage tax;

5 (2) willful failure or refusal of the license holder or permit holder to comply
6 with:

7 (i) this article or provisions of the Tax – General Article that relate
8 to the alcoholic beverage tax; or

9 (ii) a regulation adopted under this article or under provisions of the
10 Tax – General Article that relate to the alcoholic beverage tax;

11 (3) making a material false statement in an application for a license or
12 permit;

13 (4) two or more convictions within 2 years of an agent or employee of a
14 license holder or permit holder for on–premises violations of this article or provisions of the
15 Tax – General Article that relate to the alcoholic beverage tax;

16 (5) on–premises possession by a retail dealer, other than a holder of a Class
17 E, Class F, or Class G license, of an alcoholic beverage on which the tax imposed by §
18 5–102 of the Tax – General Article has not been paid;

19 (6) violation of § 2–216 or § 2–315 of this article;

20 (7) willful failure of a license holder or permit holder to:

21 (i) keep the records required under this article or under provisions
22 of the Tax – General Article that relate to the alcoholic beverage tax; or

23 (ii) allow inspection of the records by an authorized person;

24 (8) on–premises possession of an alcoholic beverage that a license holder or
25 permit holder, other than a holder of a Class E, Class F, or Class G license, is not licensed
26 to sell;

27 (9) revocation or suspension of a permit issued to a license holder or permit
28 holder by the federal Alcohol and Tobacco Tax and Trade Bureau or for conviction of
29 violating a federal law relating to alcoholic beverages;

30 (10) failure to furnish bond as required by this article within 15 days after
31 notice from the Comptroller; and

32 (11) violation of § 3–604 of this subtitle.

1 3-604.

2 (a) (1) Except as provided in paragraph (2) of this subsection, the
3 [Comptroller] **EXECUTIVE DIRECTOR** shall revoke a license or permit if, after a hearing
4 under § 3-602(b) of this subtitle, an activity listed in this section is found to have occurred
5 on the licensed premises.

6 3-605.

7 (a) After revoking a license or permit, the [Comptroller] **EXECUTIVE**
8 **DIRECTOR**:

9 (1) may not issue another license or permit to the person whose license or
10 permit is revoked;

11 (2) may not issue any license or permit for the same premises for 6 months
12 after the revocation; and

13 (3) may decide not to issue another license or permit for the same premises.

14 3-606.

15 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may accept the offer of
16 compromise if:

17 (1) the public welfare and morals would not be impaired by allowing the
18 license holder or permit holder to operate during the period set for the suspension; and

19 (2) the payment of the money will achieve the desired disciplinary
20 purposes.

21 3-701.

22 (b) Except as otherwise provided in this subtitle, a license issued by the
23 [Comptroller] **EXECUTIVE DIRECTOR** expires on the 10th day after a license holder has
24 vacated or been evicted from the licensed premises.

25 3-703.

26 A license issued by the [Comptroller] **EXECUTIVE DIRECTOR** for a premises
27 acquired for public use shall expire 180 days after acquisition unless an application is
28 pending or has been approved for:

29 (1) a transfer of the license to another location or another person, subject
30 to Subtitle 3 of this title; or

1 (2) a certificate of permission or a renewal license for continuation of
2 business, subject to § 3–802 of this title.

3 3–704.

4 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may postpone the expiration of a
5 license that the [Comptroller] **EXECUTIVE DIRECTOR** issues for an additional period to
6 avoid hardship.

7 3–802.

8 (a) Except as provided in § 2–408 of this article, on application to the
9 [Comptroller] **EXECUTIVE DIRECTOR** and payment of a fee of \$1 by the personal
10 representative or special administrator of the estate of a deceased license holder, the
11 [Comptroller] **EXECUTIVE DIRECTOR** may grant a certificate of permission for the
12 continuation of the business in the name of the personal representative or special
13 administrator for the benefit of the estate of the deceased license holder.

14 (b) (1) The certificate of permission may be granted for a period not exceeding
15 18 months after the date of the granted permission unless the license expires earlier.

16 (2) If the license expires earlier than 18 months after the date of the
17 granted permission, the [Comptroller] **EXECUTIVE DIRECTOR** may issue a renewal
18 license on application by the personal representative or special administrator for a period
19 not exceeding 18 months after the death of the license holder.

20 3–803.

21 (a) The personal representative or special administrator to whom a certificate of
22 permission has been granted may apply to the [Comptroller] **EXECUTIVE DIRECTOR** for
23 the transfer of the license for the benefit of the estate of the license holder.

24 3–901.

25 A person aggrieved by a final decision of the [Comptroller] **EXECUTIVE DIRECTOR**
26 in a contested case under this title may seek judicial review in accordance with the
27 Administrative Procedure Act.

28 4–108.

29 An applicant shall file a sworn application for a license with the applicable local
30 licensing board on the form that the [Comptroller] **EXECUTIVE DIRECTOR** requires.

31 4–109.

1 (b) The application shall also include a statement executed and acknowledged by
2 the owner of the location where the business is to be conducted that:

3 (1) agrees to the issuance of the license; and

4 (2) authorizes a warrantless inspection and search of the premises at any
5 time in any part of the building in which the business is to be conducted by:

6 (i) the Comptroller;

7 (ii) the [Comptroller] **EXECUTIVE DIRECTOR**;

8 (iii) the local licensing board and its authorized agents and
9 employees; or

10 (iv) a peace officer of the county or municipality where the business
11 is to be located.

12 4-206.

13 (c) (1) A local licensing board may issue a license for use in premises in which
14 more than 10,000 square feet of floor space is devoted to the sale of alcoholic beverages for
15 off-premises consumption, if the local licensing board:

16 (i) holds a public hearing;

17 (ii) determines that the issuance of the license:

18 1. would serve the public need; and

19 2. would not adversely impact existing retail license holders
20 in the immediate vicinity of the premises, including those license holders that may be in a
21 contiguous county or city; and

22 (iii) obtains from the [Comptroller] **EXECUTIVE DIRECTOR** a
23 written report in which the [Comptroller] **EXECUTIVE DIRECTOR** determines that the
24 issuance of the license:

25 1. would not adversely affect the orderly distribution of
26 alcoholic beverages in the State; and

27 2. would comply with all applicable provisions of this article
28 relating to the issuance of multiple licenses.

29 (2) If the [Comptroller] **EXECUTIVE DIRECTOR** determines that an
30 application submitted under this subsection does not meet the criteria provided under
31 paragraph (1)(iii) of this subsection, the local licensing board may not issue the license.

1 4-505.

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

3 (1) shall approve, certify, and issue an alcohol awareness program permit
4 to each alcohol awareness program that complies with this section; and

5 (2) may require recertification of the approved alcohol awareness program
6 to ensure compliance with changes in the program.

7 (g) The [Comptroller] **EXECUTIVE DIRECTOR** may decertify the alcohol
8 awareness program of an alcohol awareness program provider who violates subsection (c),
9 (d), or (f) of this section.

10 4-1104.

11 (d) (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt standards
12 regarding containers that qualify for use as refillable containers for beer, including
13 containers originating from outside the State.

14 (3) The holder of a refillable container permit may refill a refillable
15 container originating from inside or outside the State that meets the standards adopted by
16 the [Comptroller] **EXECUTIVE DIRECTOR** under paragraph (2) of this subsection.

17 4-1105.

18 (d) (2) The [Comptroller] **EXECUTIVE DIRECTOR** may adopt standards
19 regarding containers that qualify for use as refillable containers for wine, including
20 containers originating from outside the State.

21 (3) The holder of a refillable container permit may refill a refillable
22 container originating from inside or outside the State that meets the standards adopted by
23 the [Comptroller] **EXECUTIVE DIRECTOR** under paragraph (2) of this subsection.

24 4-1202.

25 (b) An application for a per diem license shall be:

26 (1) on the form that the [Comptroller] **EXECUTIVE DIRECTOR** requires;
27 and

28 (2) signed and sworn to by the applicant.

29 5-303.

1 (b) A keg license holder may not sell or otherwise transfer, or offer to sell or
2 otherwise transfer, the contents of a keg for off-premises consumption unless:

3 (1) the keg license holder provides to the purchaser a keg registration form
4 approved and distributed by the [Comptroller] **EXECUTIVE DIRECTOR** that is designed
5 to be affixed to the keg and that indicates the name and address of the licensed
6 establishment and a registration number;

7 (2) except as provided in § 26-103 of this article, the purchaser provides
8 identification and completes and signs a registration form with the following information:

9 (i) the purchaser's name and address as shown on the identification
10 produced; and

11 (ii) the date of purchase; and

12 (3) the keg license holder affixes the completed registration form to the keg
13 and retains a copy of the form for 30 days on the licensed premises.

14 6-101.

15 (c) (2) (i) A vehicle, a vessel, or an aircraft that is seized as contraband is
16 forfeited unless a protest is filed within 30 days after the publication under subparagraph
17 (ii) of this paragraph.

18 (ii) The Comptroller or the [Commission] **EXECUTIVE DIRECTOR**,
19 as appropriate:

20 1. if possible, shall notify the registered owner of the
21 property of the seizure; and

22 2. shall publish a notice:

23 A. in a newspaper of general circulation in the county where
24 the vehicle, vessel, or aircraft was seized; and

25 B. informing interested persons of the seizure and the right
26 to file a protest.

27 6-103.

28 A vehicle, a vessel, or an aircraft used with the express or implied knowledge or
29 consent of its owner to violate a provision of this article relating to the unlawful
30 manufacture of alcoholic beverages or to transport, store, or hide unlawful alcoholic
31 beverages:

32 (1) is contraband; and

1 (2) may be seized by:

2 (i) the Comptroller or the Comptroller's authorized enforcement
3 officers; or

4 (ii) the [Commission] **EXECUTIVE DIRECTOR** or the
5 [Commission's] **EXECUTIVE DIRECTOR'S** authorized enforcement officers; and

6 (3) may be forfeited in accordance with this subtitle.

7 6-104.

8 A lienholder, or other person showing a legal right, title, or interest in seized
9 property not destroyed in accordance with this subtitle, may file a protest with the
10 Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE:**

11 (1) within 30 days after seizure of the property; or

12 (2) if the seized property is a vehicle, a vessel, or an aircraft, within 30 days
13 after the publication of notice required under § 6-101(c) of this subtitle.

14 6-105.

15 (b) (1) If the court determines that the property is subject to forfeiture, the
16 court shall determine whether any lienholder filing a timely protest had knowledge of the
17 intended unlawful use.

18 (2) If the court determines that a lienholder had knowledge, the
19 lienholder's right, title, and interest to the property is forfeited.

20 (3) If the court does not determine that a lienholder had knowledge, but
21 the property is otherwise subject to forfeiture:

22 (i) the property shall be forfeited; and

23 (ii) the Comptroller or the Executive Director [of the Commission],
24 as the Comptroller or Executive Director, as appropriate, considers in the best interest of
25 the State, may:

26 1. pay the outstanding indebtedness secured by the lien and
27 keep the property; or

28 2. deliver the property to the lienholder.

29 6-107.

1 (a) Except as provided in subsection (c) of this section, forfeited property shall be
2 retained for official use, sold, or otherwise disposed of by:

3 (1) the Comptroller or the Executive Director [of the Commission], as
4 appropriate, if the property was seized by State officers; or

5 (2) if the property was not seized by State officers:

6 (i) the Mayor and City Council of Baltimore City; or

7 (ii) the board of county commissioners or the county council of the
8 county in which the property was seized.

9 (b) The Comptroller, the Executive Director [of the Commission], the Mayor and
10 City Council of Baltimore City, or the board of county commissioners or county council in
11 the county where the property was seized shall retain or dispose of the property in the way
12 it considers to be in the best public interest.

13 6-108.

14 (b) The officer shall report the seizure and destruction conducted under this
15 section to the [Field Enforcement Division of the Commission] **EXECUTIVE DIRECTOR**.

16 6-202.

17 (a) A building, vehicle, or premises where alcoholic beverages are authorized to
18 be kept, transported, manufactured, or sold under a license or permit may be inspected and
19 searched, without a warrant, by:

20 (1) the Comptroller or an authorized deputy, inspector, or clerk of the
21 Comptroller;

22 (2) the Executive Director [of the Commission] or an authorized deputy,
23 inspector, [or] clerk [of the Commission], **OR OTHER DESIGNEE OF THE EXECUTIVE**
24 **DIRECTOR**;

25 (3) the local licensing board of the county or city where the place of business
26 is located or an authorized agent or employee of the local licensing board; and

27 (4) a peace officer of the county or city where the place of business is
28 located.

29 6-203.

30 To prevent and detect fraud by manufacturers, wholesalers, and retail dealers, the
31 [Commission] **EXECUTIVE DIRECTOR**, the local licensing board, and an authorized

1 deputy or inspector of the [Commission] **EXECUTIVE DIRECTOR** or the local licensing
2 board:

3 (1) may use hydrometers, saccharometers, weighing and gauging
4 instruments, or other means, records, or devices to ascertain the quantity or quality of
5 alcohol in an alcoholic beverage as they consider necessary; and

6 (2) may adopt rules and regulations to establish a uniform system of
7 inspection, marking, and gauging of alcoholic beverages.

8 6–204.

9 (a) For a hearing or inquiry that the [Commission] **EXECUTIVE DIRECTOR** or a
10 local licensing board may hold or make, the [Commission] **EXECUTIVE DIRECTOR** or a
11 local licensing board may issue summonses for witnesses and administer oaths or
12 affirmations to the witnesses.

13 6–205.

14 (b) The powers and duties conferred on the Comptroller, the Commission, **THE**
15 **EXECUTIVE DIRECTOR**, or any other State official by this article do not relieve local
16 officials from the duty of enforcement or prosecution.

17 6–308.

18 (a) This section does not apply to a Class 4 limited winery that brings wine or
19 pomace brandy manufactured on its licensed premises onto a retail licensed premises if:

20 (3) the limited winery or winery trade association complies with any
21 regulations that the [Commission] **EXECUTIVE DIRECTOR** adopts relating to
22 on–premises promotions and product sampling;

23 6–319.

24 (a) This section does not apply to a Class 4 limited winery that brings wine or
25 pomace brandy manufactured on its licensed premises onto a retail licensed premises if:

26 (3) the limited winery or winery trade association complies with any
27 regulations that the [Comptroller] **EXECUTIVE DIRECTOR** adopts relating to on–premises
28 promotions and product sampling;

29 6–328.

30 (a) A person may not:

1 (4) violate a regulation that the Comptroller or the [Commission]
2 **EXECUTIVE DIRECTOR** adopts under this article or the Tax – General Article.

3 9–102.

4 This title applies only in Allegany County.

5 9–1403.

6 An application shall include:

7 (1) a statement that the applicant is at least 21 years old;

8 (2) a statement that the applicant, for the issuance or renewal of a license,
9 will produce on request all records that an applicant under this article is required to keep:

10 (i) to the Comptroller, a deputy Comptroller, the county sheriff, **THE**
11 **EXECUTIVE DIRECTOR**, or the police of a municipality in the county; or

12 (ii) in a proceeding before the Board or the circuit court for the
13 county relating to the license or business;

14 (3) the names of two persons or the name of a bonding company authorized
15 under this article who will act as a surety on the bond required by the county;

16 (4) a statement of all persons interested in the license, including the name
17 of a business entity on whose behalf the license application is made; and

18 (5) certificates of receipt from the County Tax and Utility Office and the
19 State Department of Assessments and Taxation, showing that, for the calendar year
20 immediately before the year for which the license is to be issued, there are no unpaid taxes
21 on the merchandise, fixtures, or inventory for the business due to the State, county, or
22 municipality in which the licensed activity is to be carried on.

23 11–102.

24 This title applies only in Anne Arundel County.

25 11–206.

26 (a) (1) The Board may employ:

27 (i) one part–time deputy chief inspector at an annual salary of
28 \$9,000; and

29 (ii) 18 part–time inspectors at an annual salary of \$7,000 each.

1 (2) Each inspector shall receive a monthly expense allowance of \$300,
2 subject to the approval of the [Comptroller] **EXECUTIVE DIRECTOR**.

3 11-207.

4 From the fees received, the [Comptroller] **EXECUTIVE DIRECTOR** shall:

5 (1) approve and remit to the county the amounts necessary to pay the
6 salaries and benefits of the Board and its employees;

7 (2) approve and remit to the county the amount necessary to pay the
8 expenses of the Board; and

9 (3) at the end of each fiscal year, remit the balance of the fees received to
10 the county for the general purposes of the county.

11 11-1406.

12 The Board shall:

13 (1) collect all license fees required under this article;

14 (2) issue all licenses in the county; and

15 (3) remit all fees collected to the [Comptroller] **EXECUTIVE DIRECTOR**.

16 11-2102.

17 (a) (1) In addition to the revocation and suspension procedures provided under
18 § 4-603 of this article, the Board may immediately suspend a license if it is alleged by a
19 person specified under paragraph (2) of this subsection that the license holder has sold or
20 provided alcoholic beverages to an individual under the age of 21 years with such frequency
21 and during such a limited time so as to demonstrate a willful failure to comply with §
22 6-304 of this article.

23 (2) An allegation under paragraph (1) of this subsection may be made by:

24 (i) the Comptroller or an agent or employee of the Comptroller;

25 (ii) **THE EXECUTIVE DIRECTOR OR AN AGENT OR EMPLOYEE OF**
26 **THE EXECUTIVE DIRECTOR;**

27 (iii) **(III)** the Board or an agent or employee of the Board; or

28 (iv) **[(iii)] (IV)** a peace officer.

1 12-102.

2 This title applies only in Baltimore City.

3 12-403.

4 (c) (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 [Comptroller] **EXECUTIVE DIRECTOR**; and

8 (ii) obtains written approval from the [Comptroller] **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 [Comptroller]
12 **EXECUTIVE DIRECTOR** shall:

13 (i) make a determination that a second location to brew additional
14 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 15-102.

17 This title applies only in Caroline County.

18 15-1001.

19 (i) The license holder shall:

20 (1) maintain records of all catered events, on-premises and off-premises,
21 where alcoholic beverages are served; and

22 (2) make the records required under paragraph (1) of this subsection
23 available on request to the Board [or to], the Comptroller, **OR THE EXECUTIVE**
24 **DIRECTOR**.

25 15-1309.

26 (c) (2) The records shall be:

27 (i) maintained on the licensed premises for 2 years; and

1 (ii) available for inspection by authorized personnel of the
2 Comptroller, **THE EXECUTIVE DIRECTOR**, and the Board.

3 (d) Authorized personnel of the Comptroller, **THE EXECUTIVE DIRECTOR**, and
4 the Board may inspect the premises of a license holder as provided under § 6–202 of this
5 article.

6 16–102.

7 This title applies only in Carroll County.

8 16–405.

9 (b) (4) Notwithstanding paragraph (3) of this subsection, if a micro–brewery
10 was established at its licensed premises before a protected building was established within
11 300 feet of the micro–brewery, the **[Comptroller] EXECUTIVE DIRECTOR** may renew the
12 license of the micro–brewery.

13 19–102.

14 This title applies only in Dorchester County.

15 19–403.

16 (d) (1) The **[Comptroller] EXECUTIVE DIRECTOR** may issue to a single
17 applicant one Class 6 pub–brewery license or one Class 7 micro–brewery license, but not
18 both, for a location in an enterprise zone in the county, if the applicant holds no more than
19 three Class B beer, wine, and liquor licenses.

20 (2) This subsection does not limit the number of Class 6 pub–brewery
21 licenses that the **[Comptroller] EXECUTIVE DIRECTOR** may issue in the county.

22 19–404.

23 (c) (1) The **[Comptroller] EXECUTIVE DIRECTOR** may issue to a single
24 applicant one Class 6 pub–brewery license or one Class 7 micro–brewery license, but not
25 both, for a location in an enterprise zone in the county, if the applicant holds no more than
26 three Class B beer, wine, and liquor licenses.

27 (2) This subsection does not limit the number of Class 7 micro–brewery
28 licenses that the **[Comptroller] EXECUTIVE DIRECTOR** may issue in the county.

29 20–102.

30 This title applies only in Frederick County.

1 20–1009.

2 (b) The Board may issue the license to a person for use in conjunction with:

3 (1) a Class 7 micro–brewery license that the person then obtains from the
4 [Comptroller] **EXECUTIVE DIRECTOR**; or

5 (2) a Class B beer, wine, and liquor license that the person has been issued
6 by the Board.

7 21–102.

8 This title applies only in Garrett County.

9 21–1311.

10 (c) (1) A license holder shall keep complete and accurate records of all
11 alcoholic beverages purchased and sold on the licensed premises.

12 (2) The records shall be:

13 (i) maintained on the licensed premises for 2 years; and

14 (ii) available for inspection by authorized personnel of the
15 Comptroller, **THE EXECUTIVE DIRECTOR**, and the Board.

16 (3) The records shall include a completed pre– and post–inventory of all
17 alcoholic beverages for each individual event.

18 (d) Authorized personnel of the Comptroller, **THE EXECUTIVE DIRECTOR**, and
19 the Board may inspect the premises of a license holder as provided under § 6–202 of this
20 article.

21 23–102.

22 This title applies only in Howard County.

23 23–403.

24 (b) The [Comptroller] **EXECUTIVE DIRECTOR** may issue the Class 7
25 micro–brewery license not more than 36 months before the restaurant is complete and the
26 Class B beer, wine, and liquor (on–sale) license is issued.

27 23–902.

1 (f) The [Comptroller] **EXECUTIVE DIRECTOR** may issue one Class 8 farm
2 brewery license and one Class 7 micro-brewery license to a license holder that holds not
3 more than five Class B and six Class BLX beer, wine, and liquor licenses.

4 24-102.

5 This title applies only in Kent County.

6 24-1310.

7 (c) (1) A license holder shall keep complete and accurate records of all
8 alcoholic beverages purchased and sold on the licensed premises.

9 (2) The records shall be:

10 (i) maintained on the licensed premises for 2 years; and

11 (ii) available for inspection by authorized personnel of the
12 Comptroller, **THE EXECUTIVE DIRECTOR**, and the Board.

13 (3) The records shall include a completed pre- and post-inventory of all
14 alcoholic beverages for each individual event.

15 (d) Authorized personnel of the Comptroller, **THE EXECUTIVE DIRECTOR**, and
16 the Board may inspect the premises of a license holder as provided under § 6-202 of this
17 article.

18 25-102.

19 This title applies only in Montgomery County.

20 25-314.

21 (a) A supplier may enter into an agreement with a wholesaler or an authorized
22 representative of a wholesaler to replace, directly or indirectly, stale or out-of-date malt
23 beverage products on retail licensed premises:

24 (3) under a plan that the [Comptroller] **EXECUTIVE DIRECTOR** approves.

25 (b) (1) If a wholesaler refuses to replace stale or out-of-date malt beverage
26 products on retail licensed premises under the plan described in subsection (a)(3) of this
27 section, the supplier may unilaterally submit a replacement plan to the [Comptroller]
28 **EXECUTIVE DIRECTOR** for approval.

29 (2) The replacement plan that the supplier unilaterally submits to the
30 [Comptroller] **EXECUTIVE DIRECTOR** may include the designation of an authorized

1 representative or wholesaler outside the territory of the wholesaler who refuses to
2 participate in the plan.

3 25–405.

4 (c) The [Commission] **EXECUTIVE DIRECTOR** may not issue more than an
5 aggregate amount of two Class 7 micro–brewery licenses to holders of Class D beer and
6 wine licenses in the Town of Kensington.

7 (e) (2) The holder of a Class 7 micro–brewery license may brew in two locations
8 using the same Class 7 micro–brewery license if the license holder:

9 (i) requests permission by submitting a written application to the
10 [Commission] **EXECUTIVE DIRECTOR**; and

11 (ii) obtains written approval from the [Commission] **EXECUTIVE**
12 **DIRECTOR**.

13 (3) Before authorizing a holder of a Class 7 micro–brewery license to brew
14 in two locations using the same Class 7 micro–brewery license, the [Commission]
15 **EXECUTIVE DIRECTOR** shall:

16 (i) make a determination that a second location to brew additional
17 capacity is necessary due to insufficient space at the existing Class 7 license location; and

18 (ii) consider any other factor relevant to approval of the application.

19 30–102.

20 This title applies only in Talbot County.

21 30–403.

22 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall specify which local license
23 is the equivalent of the Class B beer, wine, and liquor license specified in § 2–208(b) of this
24 article.

25 30–404.

26 (b) The [Comptroller] **EXECUTIVE DIRECTOR** shall specify which local license
27 is the equivalent of the Class B beer, wine, and liquor license specified in § 2–209(b) of this
28 article.

29 31–102.

30 This title applies only in Washington County.

1 31-404.

2 (c) The [Comptroller] **EXECUTIVE DIRECTOR** may not issue a license for
3 premises on property that has been leased unless the landlord of the property presents to
4 the [Comptroller] **EXECUTIVE DIRECTOR** a receipt or certificate showing that there are
5 no unpaid taxes due to the State, a county, or any local government from the landlord or
6 any entity in which the landlord has a direct or indirect interest that:

7 (1) is proprietary; or

8 (2) has been obtained by a loan, mortgage, or lien, or in any other manner.

9 31-1007.

10 (h) A license holder shall allow the [Commission] **EXECUTIVE DIRECTOR** or the
11 [Commission's] **EXECUTIVE DIRECTOR'S** designee, the Board or the Board's designee, or
12 a peace officer of the county, to inspect and search the licensed premises at any time.

13 32-102.

14 This title applies only in Wicomico County.

15 32-311.

16 (a) (1) The Liquor Control Board shall:

17 (i) keep accurate records of:

18 1. all purchases of alcoholic beverages; and

19 2. a complete statement of the business conducted by the
20 Liquor Control Board and the operational achievements of the dispensary system; and

21 (ii) submit annual and monthly reports to the County Council.

22 (2) The records shall be open to inspection by the Comptroller **OR THE**
23 **EXECUTIVE DIRECTOR** during regular business hours.

24 32-312.

25 (a) A supplier may enter into an agreement with a wholesaler or authorized
26 representative of a wholesaler to replace, directly or indirectly, stale or out-of-date malt
27 beverage products on retail licensed premises:

28 (3) under a plan that the [Comptroller] **EXECUTIVE DIRECTOR** approves.

1 (b) (1) If a wholesaler refuses to replace stale or out-of-date malt beverage
2 products on retail licensed premises under the plan described in subsection (a)(3) of this
3 section, the supplier may unilaterally submit a replacement plan to the [Comptroller]
4 **EXECUTIVE DIRECTOR** for approval.

5 (2) The replacement plan that the supplier unilaterally submits to the
6 [Comptroller] **EXECUTIVE DIRECTOR** may include the designation of an authorized
7 representative or wholesaler outside the territory of the wholesaler who refuses to
8 participate in the plan.

9 32-403.

10 (b) Before the [Comptroller] **EXECUTIVE DIRECTOR** may issue a Class 6
11 pub-brewery license in the county, the [Comptroller] **EXECUTIVE DIRECTOR** shall
12 forward a copy of the application to the Board.

13 (c) The Board shall:

14 (1) review the application;

15 (2) hold a public hearing on the application; and

16 (3) recommend to the [Comptroller] **EXECUTIVE DIRECTOR** whether or
17 not to issue the license.

18 32-405.

19 (a) The [Comptroller] **EXECUTIVE DIRECTOR** may issue one Class 6
20 pub-brewery license or one Class 7 micro-brewery license, but not both, for a location in
21 an enterprise zone, to a person that holds not more than five Class B beer, wine, and liquor
22 licenses.

23 32-1001.

24 (i) The license holder shall:

25 (1) maintain records of all catered events where alcoholic beverages are
26 served; and

27 (2) make the records required under item (1) of this subsection available
28 on request to the Board, **THE EXECUTIVE DIRECTOR**, or [to] the Comptroller.

29 33-102.

30 This title applies only in Worcester County.

1 33–309.

2 (a) (1) The Department shall keep accurate records of:

3 (i) all purchases of alcoholic beverages; and

4 (ii) a complete statement of the business conducted by the
5 Department and the operational achievements of the dispensary system.

6 (2) The records shall be open to inspection by the Comptroller **OR THE**
7 **EXECUTIVE DIRECTOR** during regular business hours.

8 33–504.

9 (b) (1) (i) A wholesaler may not intentionally deliver beer to a retail dealer
10 to whom any wholesaler has extended credit under this section if the retail dealer:

11 1. fails to pay the balance owed or makes a payment on the
12 debt by bad check; and

13 2. is currently listed on the county beer credit control list in
14 accordance with regulations that the **[Comptroller] EXECUTIVE DIRECTOR** issues.

15 (ii) A wholesaler who violates this paragraph is subject to a fine not
16 exceeding \$1,000 for each delivery.

17 (4) (i) A retail dealer may request a hearing with the **[Comptroller]**
18 **EXECUTIVE DIRECTOR** within 10 days after being listed on the county beer credit control
19 list for failure to comply with this section.

20 (ii) The **[Comptroller] EXECUTIVE DIRECTOR** shall remove
21 immediately from the county beer credit control list a retail dealer who requests a hearing,
22 pending the disposition of the hearing.

23 (d) The **[Comptroller] EXECUTIVE DIRECTOR** shall enforce subsections (a) and
24 (b) of this section and shall adopt regulations to carry out those subsections.

25 Article – Business Regulation

26 16–308.2.

27 (a) In this section, “unpackaged cigarette” means any cigarette not contained in
28 a sealed package of 20 or more cigarettes that are designed and intended to be sold as a
29 unit.

1 (b) This section applies only in Baltimore City.

2 (c) A person who holds a county license may not sell an unpackaged cigarette.

3 (d) (1) An enforcement officer of the Tobacco Use Prevention and Cessation
4 Program in the Baltimore City Health Department may enforce this section by entering
5 and inspecting, at a reasonable time, the premises of a county license holder.

6 (2) An enforcement officer shall report a violation of this section to a State's
7 Attorney.

8 (e) Issuance of a citation by the Comptroller **OR THE EXECUTIVE DIRECTOR** for
9 a violation of § 16–215 of this title precludes a prosecution for a violation under this section
10 arising out of the same incident.

11 17–101.

12 (a) In this title the following words have the meanings indicated.

13 (b) “Goods” means tangible personal property, items of trade, merchandise, or
14 other types of products sold at wholesale or retail.

15 (c) **“EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF THE**
16 **ALCOHOL AND TOBACCO COMMISSION.**

17 (D) “License” means a license issued under this title.

18 [(d)] (E) (1) “Sale” means the exchange or transfer, or the agreement to
19 change or transfer, title or possession of goods in any manner for consideration.

20 (2) “Sale” includes barter.

21 [(e)] (F) “Sell” includes barter.

22 [(f)] (G) “Stock-in-trade” means:

23 (1) goods held for sale and reported as inventory on the Business Personal
24 Property Tax Return filed with the State Department of Assessments and Taxation; or

25 (2) except for alcoholic beverages, goods held for sale and reported as
26 inventory on the Business Personal Property Tax Return filed with the State Department
27 of Assessments and Taxation for determining the valuation of a trader's license under
28 Subtitle 18 of this title.

29 [(g)] (H) “Trader” means a person who operates a room or other place of business
30 for selling goods, including goods sold at auction.

1 **[(h)] (I)** “Trader’s license” means a license issued by the clerk to do business as
2 a trader.

3 17–202.

4 (a) The Comptroller **OR THE EXECUTIVE DIRECTOR** shall enforce this title.

5 (b) (1) The Comptroller:

6 (i) shall appoint a chief license inspector; and

7 (ii) may appoint assistant license inspectors.

8 (2) The chief license inspector and each assistant license inspector is
9 entitled to:

10 (i) compensation in accordance with the State budget; and

11 (ii) reimbursement for expenses under the Standard State Travel
12 Regulations, as provided in the State budget.

13 (c) The Comptroller may delegate any power or duty of the Comptroller under
14 this title.

15 (d) To enforce this title, the Comptroller may make investigations and hold
16 hearings on any matter covered by this title, at any time or place in the State, and, in
17 connection with an investigation or hearing, may:

18 (1) administer oaths;

19 (2) examine witnesses;

20 (3) receive evidence; and

21 (4) issue subpoenas for the attendance of witnesses to testify or to produce
22 evidence.

23 (e) The Comptroller shall make all license materials, including stickers, available
24 to the clerks on or before April 1 each year.

25 **(f) THE EXECUTIVE DIRECTOR, OR AN OFFICER OF THE FIELD**
26 **ENFORCEMENT DIVISION OF THE ALCOHOL AND TOBACCO COMMISSION, MAY**
27 **MAKE INVESTIGATIONS AND ISSUE CITATIONS TO ENFORCE THIS TITLE.**

28 **(G)** The Comptroller may adopt regulations to:

- 1 (1) carry out this title; and
- 2 (2) define any term used in this title.

3 17-2104.

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

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

10 **Article – Commercial Law**

11 11-501.

12 (a) In this subtitle the following words have the meanings indicated.

13 (b) “Basic cost of cigarettes” means the lesser of the invoice cost or the
14 replacement cost of cigarettes to the retailer or wholesaler; plus any in-freight charge to
15 the wholesaler otherwise not included in the invoice cost or the replacement cost; plus, for
16 the wholesaler, the full face value of any applicable Maryland cigarette tax payable by the
17 wholesaler; minus any trade discount or discount for cash.

18 (c) (1) “Cigarettes” means any size or shaped roll for smoking that is made of
19 tobacco or tobacco mixed with another ingredient and wrapped in paper or in any other
20 material except tobacco.

21 (2) “Cigarettes” does not include cigars.

22 (d) (1) “Cost to the retailer”, subject to the special cost provisions of § 11-503
23 of this subtitle, means the basic cost of cigarettes to a retailer, which includes the cost to a
24 wholesaler, plus a markup to cover his cost of doing business, which cost of doing business,
25 in the absence of satisfactory proof of a lesser cost, is presumed to be 8 percent of the basic
26 cost of cigarettes to him.

27 (2) As to each carton of 200 cigarettes, a fractional part of a cent equal to
28 one-tenth of a cent or more in the cost to the retailer shall be rounded off to the next higher
29 cent.

30 (e) (1) “Cost to the wholesaler”, subject to the special cost provisions of §
31 11-503 of this subtitle, means the basic cost of cigarettes to a wholesaler, plus a markup to
32 cover his cost of doing business, which cost of doing business:

1 (i) Includes the cartage cost to a retailer; and

2 (ii) In the absence of satisfactory proof of a lesser cost, is presumed
3 to be 5 percent of the basic cost of cigarettes to him.

4 (2) As to each carton of 200 cigarettes, a fractional part of a cent equal to
5 one-tenth of a cent or more in the cost to the wholesaler shall be rounded off to the next
6 higher cent.

7 (f) (1) **“EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF**
8 **THE ALCOHOL AND TOBACCO COMMISSION.**

9 (2) **“EXECUTIVE DIRECTOR” INCLUDES A DEPUTY, AN INSPECTOR, A**
10 **CLERK, OR ANY OTHER INDIVIDUAL AUTHORIZED TO ACT BY THE EXECUTIVE**
11 **DIRECTOR.**

12 (G) “Person” includes an individual, corporation, business trust, statutory trust,
13 estate, trust, partnership, association, two or more persons having a joint or common
14 interest, or any other legal or commercial entity.

15 [(g)] (H) “Replacement cost” means the cost per unit for which the cigarettes
16 could have been bought by the wholesaler or retailer at any time within 30 days before the
17 date of sale by him if bought in the same quantity as his last purchase of the cigarettes.

18 [(h)] (I) “Retail sale of cigarettes” includes any sale whereby cigarettes are sold
19 for a valuable consideration, including an exchange or barter and a sale through a vending
20 machine, made in the ordinary course of trade or the usual conduct of the seller’s business
21 to a purchaser for consumption or use other than resale.

22 [(i)] (J) (1) “Retailer” includes any person engaged in the business of making
23 retail sales of cigarettes within the State at a store, stand, booth, or concession, through
24 vending machines, or otherwise.

25 (2) If the person is engaged in the business of making both retail sales of
26 cigarettes and wholesale sales of cigarettes, the word only applies to the retail sales of
27 cigarettes portion of the business.

28 [(j)] (K) “Sell” includes advertise, offer to sell, or offer for sale.

29 [(k)] (L) “Vending machine operator” means a person who:

30 (1) Makes retail sales of cigarettes or has cigarettes in his possession with
31 the intent to sell them exclusively at retail through the medium of a vending machine or
32 any other mechanical device used for dispensing cigarettes;

1 (2) Owns, operates, and services vending machines or other mechanical
2 devices used to dispense cigarettes on 40 or more premises; and

3 (3) Services the machines or devices by maintaining an established place
4 of business for the purchase of cigarettes, including warehousing facilities for the storage
5 and distribution of cigarettes.

6 ~~[(1)]~~ (M) (1) “Wholesale sale of cigarettes” includes any sale whereby
7 cigarettes are sold for a valuable consideration, made in the ordinary course of trade or in
8 the usual conduct of the seller’s business to a retailer, other than to a vending machine
9 operator or to a sub-wholesaler described in subsection (m)(2) of this section, for the bona
10 fide purpose of resale.

11 (2) “Wholesale sale of cigarettes” includes any transfer of cigarettes on
12 consignment or otherwise, whereby title is retained by the seller as security for the payment
13 of the purchase price.

14 ~~[(m)]~~ (N) (1) “Wholesaler” means a person who purchases cigarettes directly
15 from a manufacturer.

16 (2) “Wholesaler” includes a person, who, as a sub-wholesaler:

17 (i) Purchases cigarettes from another wholesaler solely for the
18 purpose of bona fide resale to retailers other than those directly or indirectly owned,
19 affiliated, or controlled by him; and

20 (ii) Services the retailers by maintaining an established place of
21 business for the sale of cigarettes, including warehouse facilities, adequate inventory,
22 proper accounting records, and necessary equipment and vehicles for the storage and
23 distribution of cigarettes.

24 (3) If the person is engaged in the business of making both wholesale sales
25 of cigarettes and retail sales of cigarettes, the word only applies to the wholesale sales of
26 cigarettes portion of the business.

27 11-506.

28 (a) In any proceeding under this subtitle, including a proceeding relating to
29 licenses before the ~~[State Comptroller]~~ **EXECUTIVE DIRECTOR**, proof of a sale by a
30 retailer or a wholesaler of cigarettes or of any other item in combination or in connection
31 with cigarettes at less than their cost to the retailer or their cost to the wholesaler,
32 respectively, is prima facie evidence of intent to injure a competitor or to destroy or
33 substantially lessen competition.

34 (b) In determining cost to the retailer or cost to the wholesaler, the ~~[State~~
35 ~~Comptroller]~~ **EXECUTIVE DIRECTOR** or the court shall receive and consider evidence:

1 (1) That the person complained against purchased cigarettes at a fictitious
2 price or on terms, in a manner, or under invoices which conceal the true costs, discounts,
3 or terms of purchase; and

4 (2) Of the normal, customary, and prevailing terms and discounts in
5 connection with other sales of a similar nature in the trade area.

6 11-507.

7 (a) It is the duty of the [State Comptroller] **EXECUTIVE DIRECTOR** to enforce
8 this subtitle.

9 (b) The [State Comptroller] **EXECUTIVE DIRECTOR** shall:

10 (1) Employ and determine the duties and compensation of the inspectors
11 and other personnel necessary to enforce this subtitle; and

12 (2) Adopt reasonable rules and regulations necessary to effectuate and
13 enforce the policies of this subtitle.

14 11-508.

15 (a) (1) On complaint of the [State Comptroller] **EXECUTIVE DIRECTOR** or
16 any person affected, a circuit court has jurisdiction to:

17 (i) Enjoin a retailer or wholesaler from the commission of any act
18 prohibited by this subtitle; and

19 (ii) Award damages and costs.

20 (2) In an action for injunctive relief, it is not necessary for the complainant
21 to allege or prove that an adequate remedy at law does not exist or that the complainant
22 has suffered actual damages.

23 (b) If injunctive relief is not sought or required, an injured person may institute
24 an action for damages in any court of competent jurisdiction.

25 (c) On violation of this subtitle, the [State Comptroller] **EXECUTIVE DIRECTOR**
26 shall suspend or revoke the cigarette license of the offender required by § 16-210 of the
27 Business Regulation Article.

28 11-5A-01.

29 (a) In this subtitle the following words have the meanings indicated.

1 (b) **“EXECUTIVE DIRECTOR” HAS THE MEANING STATED IN § 11-501 OF**
2 **THIS TITLE.**

3 (c) “Retailer” has the meaning stated in [§ 11-501(i)] **§ 11-501** of this title.

4 [(c)] (D) “Sell” has the meaning stated in [§ 11-501(j)] **§ 11-501** of this title.

5 [(d)] (E) “Unpackaged cigarette” means any cigarette not contained in a sealed
6 package of 20 or more cigarettes.

7 [(e)] (F) “Vending machine operator” has the meaning stated in [§ 11-501(k)] **§**
8 **11-501** of this title.

9 [(f)] (G) “Wholesaler” has the meaning stated in [§ 11-501(m)] **§ 11-501** of this
10 title.

11 11-5A-03.

12 (a) The [State Comptroller] **EXECUTIVE DIRECTOR** shall enforce this subtitle.

13 (b) The [State Comptroller] **EXECUTIVE DIRECTOR** shall:

14 (1) Employ and determine the duties and compensation of the inspectors
15 and other personnel necessary to enforce this subtitle; and

16 (2) Adopt reasonable regulations necessary to effectuate and enforce the
17 provisions of this subtitle.

18 **Article – Courts and Judicial Proceedings**

19 5-523.

20 (a) (1) In this section[,] **THE FOLLOWING WORDS HAVE THE MEANINGS**
21 **INDICATED.**

22 (2) “Comptroller” means the Comptroller of the State.

23 (3) **“EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF**
24 **THE ALCOHOL AND TOBACCO COMMISSION.**

25 (b) If, in good faith and with reasonable grounds, the Comptroller, **THE**
26 **EXECUTIVE DIRECTOR**, or a peace officer of the State seizes contraband property or a
27 conveyance used to transport contraband property under § 13-835 of the Tax – General
28 Article, the Comptroller, **EXECUTIVE DIRECTOR**, or peace officer is not civilly or
29 criminally liable for the seizure.

Article – Criminal Law

1

2 10–107.

3 (b) (2) A person who distributes tobacco products for commercial purposes,
4 including a person licensed under Title 16, **TITLE 16.5, TITLE 16.7, OR TITLE 16.9** of the
5 Business Regulation Article, may not distribute to an individual under the age of 21 years:

- 6 (i) a tobacco product;
- 7 (ii) tobacco paraphernalia; or
- 8 (iii) a coupon redeemable for a tobacco product.

9 10–108.

10 (a) A person who distributes products containing delta–8– or
11 delta–10–tetrahydrocannabinol, including a person licensed under Title 16, Title 16.5, Title
12 16.7, **TITLE 16.9**, or Title 17 of the Business Regulation Article, may not distribute,
13 purchase for sale, or sell a product containing delta–8– or delta–10–tetrahydrocannabinol
14 to an individual under the age of 21 years.

Article – Health – General

15

16 18–213.

17 (a) (5) “Law enforcement officer” means any person who, in an official
18 capacity, is authorized by law to make arrests and who is a member of one of the following
19 law enforcement agencies:

- 20 (i) The Department of State Police;
- 21 (ii) The Baltimore City Police Department;
- 22 (iii) The police department, bureau, or force of any county;
- 23 (iv) The police department, bureau, or force of any incorporated city
24 or town;
- 25 (v) The office of the sheriff of any county;
- 26 (vi) The police department, bureau, or force of any bicounty agency
27 or constituent institution of the University System of Maryland, Morgan State University,
28 St. Mary’s College, or of any institution under the jurisdiction of the Maryland Higher
29 Education Commission;

1 (vii) The Maryland Transit Administration police force of the
2 Department of Transportation, the Maryland Transportation Authority Police Force, and
3 the Maryland Port Administration police force of the Department of Transportation;

4 (viii) The law enforcement officers of the Department of Natural
5 Resources;

6 (ix) The Field Enforcement Bureau of the Comptroller's Office;

7 (x) **THE FIELD ENFORCEMENT DIVISION OF THE ALCOHOL**
8 **AND TOBACCO COMMISSION;**

9 **(XI)** The Crofton Police Department;

10 ~~[(xi)]~~ **(XII)** The Intelligence and Investigative Division of the
11 Department of Public Safety and Correctional Services; or

12 ~~[(xii)]~~ **(XIII)** The Ocean Pines Police Department.

13 24–307.

14 (b) A person who distributes tobacco products for commercial purposes, including
15 a person licensed under Title 16, **TITLE 16.5, TITLE 16.7, OR TITLE 16.9** of the Business
16 Regulation Article, may not distribute to an individual under the age of 21 years:

17 (1) A tobacco product;

18 (2) Tobacco paraphernalia; or

19 (3) A coupon redeemable for a tobacco product.

20 (c) (1) A person who violates subsection (b) of this section is subject to a civil
21 penalty not exceeding:

22 (i) \$300 for a first violation;

23 (ii) \$1,000 for a second violation occurring within 24 months after
24 the first violation; and

25 (iii) \$3,000 for each subsequent violation occurring within 24 months
26 after the preceding violation.

27 (2) The local health departments shall report violations of subsection (b) of
28 this section to the ~~[Comptroller's Office]~~ **EXECUTIVE DIRECTOR OF THE ALCOHOL AND**
29 **TOBACCO COMMISSION.**

1 (3) Issuance of a civil citation for a violation of this section precludes
2 prosecution under § 10–107 of the Criminal Law Article arising out of the same violation.

3 (4) If a violation is committed by a person acting on behalf of a retailer, the
4 civil penalty imposed under paragraph (1) of this subsection shall be paid by the retailer.

5 (f) (1) The Maryland Department of Health, in collaboration and consultation
6 with the Office of the Comptroller, **THE EXECUTIVE DIRECTOR OF THE ALCOHOL AND**
7 **TOBACCO COMMISSION**, local health departments, and local law enforcement agencies,
8 shall develop ongoing strategies for enforcement of §§ 10–107 and 10–108 of the Criminal
9 Law Article.

10 Article – Tax – General

11 1–101.

12 (a) In this article the following words have the meanings indicated.

13 (G–2) (1) **“EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF**
14 **THE ALCOHOL AND TOBACCO COMMISSION.**

15 (2) **“EXECUTIVE DIRECTOR” INCLUDES A DEPUTY, AN INSPECTOR,**
16 **OR ANY OTHER INDIVIDUAL ACTING WITHIN THE SCOPE OF THE EXECUTIVE**
17 **DIRECTOR’S AUTHORITY.**

18 1–205.

19 (b) Before any license or permit issued by the Comptroller **OR THE EXECUTIVE**
20 **DIRECTOR** may be renewed, the Comptroller shall verify that the applicant has paid all
21 undisputed taxes and unemployment insurance contributions payable to the Comptroller
22 or the Secretary of Labor or that the applicant has provided for payment in a manner
23 satisfactory to the unit responsible for collection.

24 2–102.

25 (b) In cooperation with the Executive Director [of the Alcohol and Tobacco
26 Commission], and in addition to the duties set forth elsewhere in this article and in other
27 articles of the Code, the Comptroller shall administer the laws that relate to:

28 (1) the alcoholic beverage tax; and

29 (2) the tobacco tax.

30 2–103.

31 The Comptroller shall adopt reasonable regulations:

1 (1) to administer the provisions of the tax laws listed in § 2–102(a) of this
2 subtitle; and

3 (2) in cooperation with the Executive Director [of the Alcohol and Tobacco
4 Commission], to administer the provisions of the tax laws listed in § 2–102(b) of this
5 subtitle.

6 2–105.

7 (b) The Comptroller:

8 (1) shall determine:

9 (i) the design of tax stamps [and] **OR** certificates required for the
10 alcoholic beverage tax and for the tobacco tax; and

11 (ii) the form of any other evidence of tax payment; and

12 (2) may adopt any other method or device that the Comptroller considers
13 necessary to:

14 (i) prevent fraud or evasion of the alcoholic beverage tax; or

15 (ii) comply with any restrictions that the federal government
16 imposes on alcoholic beverages during a war or an emergency.

17 (c) In cooperation with the Executive Director [of the Alcohol and Tobacco
18 Commission], the Comptroller:

19 (1) shall provide tax stamps [and] **OR** certificates to indicate that the
20 alcoholic beverage tax or tobacco tax has been paid; and

21 (2) may adopt reasonable regulations to prevent abuse but ensure the
22 adequate availability of tax stamps and certificates, including regulations that:

23 (i) limit excessive disbursement of tax stamps and certificates; and

24 (ii) require proof of need for tax stamps and certificates.

25 2–107.

26 (e) On or before October 1 each year, the Executive Director [of the Alcohol and
27 Tobacco Commission] shall report to the General Assembly, in accordance with § 2–1257 of
28 the State Government Article, on:

1 (1) the aggregate number of licensed tobacco retailers that committed a
 2 violation of § 10–107 of the Criminal Law Article and the aggregate number of minors who
 3 committed a violation of § 10–107 of the Criminal Law Article during the reporting period;

4 (2) the number of prior violations for licensed tobacco retailers and minors
 5 that committed a violation during the reporting period; and

6 (3) the subsequent action taken by the Executive Director against each
 7 violator and, for each action taken, the number of violations committed by the violator.

8 2–108.

9 If, in good faith and with reasonable grounds, the Comptroller, **THE EXECUTIVE**
 10 **DIRECTOR**, or a peace officer of the State seizes contraband property or a conveyance used
 11 to transport contraband property under § 13–835 of this article, the Comptroller, **THE**
 12 **EXECUTIVE DIRECTOR**, or peace officer shall have the immunity from liability described
 13 under § 5–523 of the Courts and Judicial Proceedings Article.

14 2–303.

15 The Comptroller shall distribute the proceeds from sales of contraband alcoholic
 16 beverages and conveyances under § 13–841(a) **OR (D)** of this article to the General Fund.

17 5–101.

18 (a) In this title the following words have the meanings indicated.

19 [(m) “Tax stamp” means a device in the design and denomination that the
 20 Comptroller authorizes for the purpose of being affixed to a container of distilled spirits as
 21 evidence that the alcoholic beverage tax is paid.]

22 [(n) **(M)** (1) “Wholesaler” means a person who buys or imports an alcoholic
 23 beverage for sale to another person for resale.

24 (2) “Wholesaler” includes a county department of liquor control, a liquor
 25 control board, or the Alcohol Beverage Services for Montgomery County that operates a
 26 wholesale dispensary.

27 [(o) **(N)** (1) “Wine” means a fermented alcoholic beverage.

28 (2) “Wine” includes:

29 (i) carbonated, flavored, imitation, sparkling, or still wine;

30 (ii) champagne;

- 1 (iii) cider;
- 2 (iv) fortified wine;
- 3 (v) perry;
- 4 (vi) sake; and
- 5 (vii) vermouth.

6 12-203.

7 (b) A wholesaler shall:

8 (1) keep the records required under subsection (a) of this section for a
9 period of 6 years or for a shorter period that the Comptroller authorizes; and

10 (2) allow the Comptroller **OR THE EXECUTIVE DIRECTOR** to examine the
11 records.

12 12-204.

13 (a) The Comptroller shall adopt regulations that:

14 (1) require an out-of-state seller to maintain records of the cost of
15 premium cigars and pipe tobacco acquired for sale into the State; and

16 (2) specify the period for which an out-of-state seller must maintain the
17 records required under item (1) of this subsection.

18 (b) An out-of-state seller shall allow the Comptroller **OR THE EXECUTIVE**
19 **DIRECTOR** to examine the records maintained in accordance with subsection (a) of this
20 section.

21 13-710.

22 If the Comptroller, **THE EXECUTIVE DIRECTOR**, or any police officer seizes distilled
23 spirits or mash in connection with an arrest of a person for the unlawful manufacture of
24 distilled spirits in the State, on conviction of the person, the Comptroller shall assess a
25 penalty of \$5 for each 100 proof gallon on:

26 (1) all distilled spirits seized; or

27 (2) the potential quantity of distilled spirits that may be manufactured
28 from the quantity of mash seized.

29 13-835.

1 (a) The Comptroller, **THE EXECUTIVE DIRECTOR**, or a peace officer of the State
2 may:

3 (1) seize contraband alcoholic beverages or contraband tobacco products in
4 the State without a warrant;

5 (2) stop and search a conveyance in the State if the Comptroller, **THE**
6 **EXECUTIVE DIRECTOR**, or officer knows or has reason to suspect that the conveyance is
7 being used to transport in the State contraband tobacco products having a retail value of
8 \$100 or more or contraband alcoholic beverages; and

9 (3) seize a conveyance being used in the State to transport contraband
10 alcoholic beverages or contraband tobacco products.

11 13-836.

12 (a) (1) If contraband alcoholic beverages or contraband tobacco products are
13 seized:

14 (i) the Comptroller, **THE EXECUTIVE DIRECTOR**, or police officer
15 shall give a notice of seizure to the person from whom the property is seized at the time of
16 the seizure; and

17 (ii) the Comptroller **OR THE EXECUTIVE DIRECTOR** shall:

18 1. where possible, give a notice of seizure to the registered
19 owner of a seized conveyance; and

20 2. publish a notice of seizure of the conveyance in a
21 newspaper of general circulation in the county where the seizure occurred.

22 (b) (1) A police officer who seizes a conveyance used to transport contraband
23 alcoholic beverages promptly shall notify the Comptroller **AND THE EXECUTIVE**
24 **DIRECTOR** of the seizure.

25 (2) A police officer who seizes any contraband tobacco products or
26 conveyance used to transport contraband tobacco products shall deliver the seized
27 cigarettes or other tobacco products and conveyance to the Comptroller **OR THE**
28 **EXECUTIVE DIRECTOR, AS APPROPRIATE.**

29 13-837.

30 The owner or another person with an interest in seized property may file a claim for
31 the return of the property with the Comptroller **OR THE EXECUTIVE DIRECTOR** within
32 30 days after:

1 (1) the seizure of alcoholic beverages, cigarettes, other tobacco products,
2 motor fuel or conveyances used to transport motor fuel; or

3 (2) a notice of seizure of a conveyance used to transport alcoholic beverages,
4 cigarettes, or other tobacco products is published.

5 13–838.

6 (b) (3) Absent a finding under paragraph (2) of this subsection, the
7 Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE**, in the best interest of
8 the State may:

9 (i) pay the outstanding indebtedness secured by the lawful lien and
10 keep the property; or

11 (ii) deliver the property to the lien holder.

12 13–839.

13 (a) If a person files a claim for return of seized alcoholic beverages, cigarettes,
14 other tobacco products, or a conveyance used for their transportation under § 13–837 of this
15 subtitle, the Comptroller, **THE EXECUTIVE DIRECTOR**, or [the Comptroller’s] **THEIR**
16 designee shall:

17 (1) promptly act on the request and hold an informal hearing;

18 (2) direct the return of alcoholic beverages, cigarettes, or other tobacco
19 products unless the Comptroller, **THE EXECUTIVE DIRECTOR**, or [Comptroller’s] **THEIR**
20 designee has satisfactory proof that the person was not in compliance with any provisions
21 of Title 5 or Title 12 of this article at the time of seizure; and

22 (3) direct the return of the conveyance if the Comptroller, **THE**
23 **EXECUTIVE DIRECTOR**, or [Comptroller’s] **THEIR** designee has satisfactory proof that
24 the owner of the conveyance was not willfully evading any provisions of Title 5 or Title 12
25 of this article at the time of seizure.

26 (b) The Comptroller, **THE EXECUTIVE DIRECTOR**, or [Comptroller’s] **THEIR**
27 designee shall grant or deny the application for return of seized alcoholic beverages,
28 cigarettes, other tobacco products, or a conveyance in accordance with subsection (a) of this
29 section by mailing the person a notice of final determination.

30 13–841.

1 (a) (1) Contraband alcoholic beverages that are seized under this title and
2 forfeited may be disposed of or destroyed in the manner allowed under §§ 6–105, 6–106,
3 and 6–328 of the Alcoholic Beverages Article.

4 (2) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,**
5 shall sell at public auction a conveyance that is seized under this title in connection with
6 contraband alcoholic beverages and forfeited.

7 (b) (1) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,**
8 shall sell contraband tobacco products seized under this title and forfeited to a State
9 institution, a nonprofit charitable institution, a licensed cigarette wholesaler, or a licensed
10 cigarette manufacturer in the manner the Comptroller **OR EXECUTIVE DIRECTOR**
11 determines.

12 (2) The Comptroller **OR THE EXECUTIVE DIRECTOR, AS APPROPRIATE,**
13 shall sell at public auction a conveyance that is seized under this title in connection with
14 contraband tobacco products and forfeited.

15 (d) (1) In the manner required under Title 2 of this article for distributions of
16 revenue, the Comptroller shall distribute the net proceeds from the sale of any conveyance
17 or other property under this section after paying:

18 [(1)] (I) the costs incurred in conjunction with the seizure and disposal of
19 the property;

20 [(2)] (II) the cost of the sale; and

21 [(3)] (III) any bona fide lien against the conveyance.

22 (2) **IF THE EXECUTIVE DIRECTOR SELLS AT PUBLIC AUCTION A**
23 **CONVEYANCE OR OTHER PROPERTY SEIZED UNDER THIS SECTION, THE EXECUTIVE**
24 **DIRECTOR SHALL TRANSFER THE NET PROCEEDS OF THE SALE TO THE**
25 **COMPTROLLER FOR DISTRIBUTION UNDER TITLE 2 OF THIS ARTICLE.**

26 [13–1011.

27 A person who counterfeits an alcoholic beverage tax stamp, as defined in § 5–101 of
28 this article, or certificate is guilty of a crime and, on conviction, is subject to a fine not
29 exceeding \$10,000 or imprisonment not exceeding 5 years or both.]

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
31 1, 2023.