

HOUSE BILL 787

A1

3lr1500
CF SB 815

By: **Delegate Atterbeary**

Introduced and read first time: February 8, 2023

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

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

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

12 BY adding to
13 Article – Alcoholic Beverages
14 Section 2–165
15 Annotated Code of Maryland
16 (2016 Volume and 2022 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Alcoholic Beverages
19 Section 4–507
20 Annotated Code of Maryland
21 (2016 Volume and 2022 Supplement)

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

24 **Article – Alcoholic Beverages**

25 **2–165.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A) THERE IS A DELIVERY SERVICE PERMIT.**

2 **(B) THE PERMIT AUTHORIZES THE HOLDER TO DELIVER ALCOHOLIC**
3 **BEVERAGES FROM A RETAIL LICENSE HOLDER AUTHORIZED TO DELIVER**
4 **ALCOHOLIC BEVERAGES UNDER § 4-507 OF THIS ARTICLE.**

5 **(C) AN APPLICANT FOR A DELIVERY SERVICE PERMIT SHALL:**

6 **(1) SUBMIT TO THE COMMISSION:**

7 **(I) A SAMPLE CONTRACT THAT THE APPLICANT INTENDS TO**
8 **ENTER INTO WITH A RETAIL LICENSE HOLDER AUTHORIZED TO DELIVER ALCOHOLIC**
9 **BEVERAGES;**

10 **(II) WRITTEN CERTIFICATION THAT BEFORE DELIVERING ANY**
11 **ALCOHOLIC BEVERAGES, ALL DELIVERY PERSONNEL WILL BE:**

12 1. **AT LEAST 21 YEARS OLD; AND**

13 2. **CERTIFIED BY AN APPROVED ALCOHOL AWARENESS**
14 **PROGRAM; AND**

15 **(III) PROOF OF GENERAL LIABILITY INSURANCE IN THE AMOUNT**
16 **OF AT LEAST \$1,000,000 PER OCCURRENCE; AND**

17 **(2) PAY AN APPLICATION FEE OF \$1,000.**

18 **(D) A DELIVERY SERVICE PERMIT HOLDER MAY:**

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

22 **(2) FACILITATE ORDERS FOR THE SALE AND DELIVERY OF**
23 **ALCOHOLIC BEVERAGES BY TELEPHONE, INTERNET, OR OTHER ELECTRONIC**
24 **MEANS.**

25 **(E) (1) THE PERMIT IS VALID FOR 2 YEARS.**

26 **(2) A DELIVERY SERVICE PERMIT HOLDER MAY RENEW ITS DELIVERY**
27 **SERVICE PERMIT IF THE DELIVERY SERVICE PERMIT HOLDER:**

1 **(I) MAINTAINS ALL CONDITIONS AND QUALIFICATIONS OF**
2 **DELIVERY SERVICE PERMIT HOLDERS REQUIRED BY THIS SECTION AND § 4-507 OF**
3 **THIS ARTICLE; AND**

4 **(II) PAYS A RENEWAL FEE OF \$500.**
5 4-507.

6 (a) This section does not apply to:

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

9 (2) the holder of a common carrier permit in the course of delivering
10 directly shipped wine in accordance with Title 2, Subtitle 1, Part V of this article; or

11 (3) the delivery of alcoholic beverages in accordance with § 4-1107 of this
12 title.

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

14 (1) a retail license holder obtains a letter of authorization from the local
15 licensing board to make deliveries; [and]

16 (2) the delivery is made from the licensed premises by [the retail license
17 holder or an employee of the retail license holder];

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

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

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

22 **1. HOLDS A DELIVERY SERVICE PERMIT; AND**

23 **2. HAS CONTRACTED WITH THE RETAIL LICENSE**
24 **HOLDER TO MAKE DELIVERIES OF ALCOHOLIC BEVERAGES;**

25 **(3) THE PURCHASER OF THE ALCOHOLIC BEVERAGES:**

26 **(I) IS AT LEAST 21 YEARS OLD; AND**

27 **(II) PROVIDES VALID IDENTIFICATION AS PROOF OF AGE ON**
28 **RECEIPT OF THE ALCOHOLIC BEVERAGES;**

(4) ALCOHOLIC BEVERAGES SOLD FOR OFF-PREMISES DELIVERY
ARE:

(I) PROVIDED IN THE MANUFACTURER'S ORIGINAL SEALED
CONTAINER OR IN A CONTAINER CLOSED WITH A CAP, CORK, SEAL, OR LID WITHOUT
HOLES FOR STRAWS OR SIPPING; AND

(II) SOLD ONLY DURING THE HOURS THE RETAIL LICENSE
HOLDER IS OPEN FOR IN-STORE PURCHASES; AND

(5) THE DELIVERY OF THE ALCOHOLIC BEVERAGES IS MADE FROM
THE RETAIL LICENSE HOLDER'S LICENSED PREMISES TO THE PURCHASER OF THE
ALCOHOLIC BEVERAGES BY AN INDIVIDUAL WHO:

(I) IS AT LEAST 21 YEARS OLD; AND

(II) HAS SUCCESSFULLY COMPLETED AN APPROVED ALCOHOL
AWARENESS PROGRAM.

(C) A RETAIL LICENSE HOLDER MAY NOT DELIVER ALCOHOLIC BEVERAGES
TO:

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

(2) ANOTHER PREMISES LICENSED TO SELL ALCOHOLIC BEVERAGES.

(D) (1) A PERSON SHALL APPLY TO THE COMMISSION FOR A DELIVERY
SERVICE PERMIT UNDER § 2-165 OF THIS ARTICLE BEFORE CONTRACTING TO
DELIVER ALCOHOLIC BEVERAGES FOR A RETAIL LICENSE HOLDER.

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

(E) A RETAIL LICENSE HOLDER MAY NOT BE CHARGED WITH A VIOLATION
OF LAW FOR THE DELIVERY OF AN ALCOHOLIC BEVERAGE TO A MINOR IF:

(1) THE DELIVERY WAS MADE BY A DELIVERY SERVICE PERMIT
HOLDER CONTRACTED TO DELIVER FOR THE RETAIL LICENSE HOLDER; AND

1 **(2) AT THE POINT OF DELIVERY, THE INDIVIDUAL WHO RECEIVED THE**
2 **ALCOHOLIC BEVERAGES PROVIDED VALID PHOTOGRAPHIC IDENTIFICATION TO THE**
3 **DELIVERY SERVICE PERMIT HOLDER AFFIRMING THAT THE INDIVIDUAL RECEIVING**
4 **THE ALCOHOLIC BEVERAGES WAS AT LEAST 21 YEARS OLD.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2023.