

HOUSE BILL 1037

A2

9lr0488

By: **Prince George's County Delegation**

Introduced and read first time: February 13, 2009

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Alcoholic Beverages Licenses - Successor**
3 **Corporations**

4 **PG 301-09**

5 FOR the purpose of specifying that in Prince George's County, if a certain number of
6 corporations with interests in certain alcoholic beverages licenses undergo a
7 merger, consolidation, or share exchange that results in a single successor
8 corporation, the total number of licenses that the successor corporation may
9 hold is the greater of certain alternatives; specifying that an indirect interest in
10 a license is evidenced by certain relationships; exempting this Act from a
11 restriction on the number of licenses that may be issued to a person; and
12 generally relating to alcoholic beverages licenses in Prince George's County.

13 BY adding to

14 Article 2B - Alcoholic Beverages
15 Section 8-217(e)
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2008 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article 2B - Alcoholic Beverages
20 Section 9-102(a)
21 Annotated Code of Maryland
22 (2005 Replacement Volume and 2008 Supplement)

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

25 **Article 2B - Alcoholic Beverages**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 8-217.

2 (E) (1) IN PRINCE GEORGE'S COUNTY, IF TWO CORPORATIONS WITH
3 DIRECT OR INDIRECT INTERESTS IN ALCOHOLIC BEVERAGES LICENSES FOR
4 USE BY RESTAURANTS UNDERGO A MERGER, CONSOLIDATION, OR SHARE
5 EXCHANGE THAT RESULTS IN A SINGLE SUCCESSOR CORPORATION, THE TOTAL
6 NUMBER OF ALCOHOLIC BEVERAGES LICENSES THAT THE SUCCESSOR
7 CORPORATION MAY HOLD IS THE GREATER OF:

8 (I) THE SUM OF THE LICENSES HELD BY EACH
9 CORPORATION BEFORE THE SUCCESSOR CORPORATION WAS FORMED; OR

10 (II) THE MAXIMUM NUMBER OF LICENSES ANY ONE OF THE
11 CORPORATIONS WAS ENTITLED TO BE ISSUED BEFORE THE SUCCESSOR
12 CORPORATION WAS FORMED.

13 (2) AN INDIRECT INTEREST IN A LICENSE IS EVIDENCED BY ANY
14 OF THE FOLLOWING RELATIONSHIPS INVOLVING THE LICENSEE AND ANOTHER
15 LICENSEE OR THE LICENSEE AND AN APPLICANT FOR A LICENSE:

16 (I) A COMMON PARENT COMPANY;

17 (II) A FRANCHISE AGREEMENT;

18 (III) A LICENSING AGREEMENT;

19 (IV) A CONCESSION AGREEMENT;

20 (V) MEMBERSHIP BY THE LICENSEE AND THE OTHER
21 PERSON IN A CHAIN OF BUSINESSES COMMONLY OWNED AND OPERATED AND SO
22 PORTRAYED TO THE PUBLIC;

23 (VI) SHARING OF DIRECTORS OR STOCKHOLDERS OR
24 SHARING OF DIRECTORS OR STOCKHOLDERS OF PARENT COMPANIES OR
25 SUBSIDIARIES;

26 (VII) COMMON DIRECT OR INDIRECT SHARING OF PROFIT
27 FROM THE SALE OF ALCOHOLIC BEVERAGES; OR

28 (VIII) SHARING OF A COMMON TRADE NAME, TRADEMARK,
29 LOGO, THEME, OR MODE OF OPERATION IDENTIFIABLE BY THE PUBLIC, EXCEPT
30 HOTELS AND MOTELS.

31 9-102.

1 (a) No more than one license provided by this article, except by way of
2 renewal or as otherwise provided in this section, shall be issued in any county or
3 Baltimore City, to any person, or for the use of any partnership, corporation,
4 unincorporated association, or limited liability company, in Baltimore City or any
5 county of the State, and no more than one license shall be issued for the same
6 premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701 of this
7 article, and nothing herein shall be construed to apply to § 6-201(r)(4), (15), and (17), §
8 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § **8-217(E)**, § 8-508, or § 12-202 of this
9 article.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 2009.