

# HOUSE BILL 655

A2

6lr0973

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By: **Howard County Delegation**

Introduced and read first time: February 4, 2016

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2016

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Howard County – Alcoholic Beverages – Class D Licenses**

3 **Ho. Co. 7–16**

4 FOR the purpose of making a Class D (on– and off–sale) beer, wine, and liquor license part  
5 of certain groups of alcoholic beverages licenses that the Board of License  
6 Commissioners for Howard County may issue to an individual or for the use of a  
7 ~~partnership, a corporation, or an unincorporated association~~ person; making certain  
8 technical changes; and generally relating to alcoholic beverages licenses in Howard  
9 County.

10 ~~BY repealing and reenacting, with amendments,~~  
11 ~~Article 2B – Alcoholic Beverages~~  
12 ~~Section 9–102(e)~~  
13 ~~Annotated Code of Maryland~~  
14 ~~(2011 Replacement Volume and 2015 Supplement)~~

15 BY repealing and reenacting, with amendments,  
16 Article – Alcoholic Beverages  
17 Section 23–1606  
18 Annotated Code of Maryland  
19 (As enacted by Chapter (S.B. 724) of the Acts of the General Assembly of 2016)

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

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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.



~~Article 2B—Alcoholic Beverages~~

~~9-102.~~

~~(e) (1) Subject to paragraphs [(2)] (3) and [(3)] (4) of this subsection, and notwithstanding any other provision of law, in Howard County, the Board of License Commissioners may issue TO AN INDIVIDUAL OR FOR THE USE OF A PARTNERSHIP, A CORPORATION, OR AN UNINCORPORATED ASSOCIATION ONE OF THE FOLLOWING GROUPS OF LICENSES BUT NOT BOTH:~~

~~(I) 1 CLASS D (ON AND OFF SALE) BEER, WINE, AND LIQUOR LICENSE, 2 Class B (on sale) beer, wine and liquor licenses and 7 Class BLX (luxury restaurant) (on sale) beer, wine and liquor licenses [,]; or~~

~~(II) 1 CLASS D (ON AND OFF SALE) BEER, WINE, AND LIQUOR LICENSE AND 9 Class BLX (luxury restaurant) (on sale) beer, wine and liquor licenses [for separate premises:~~

~~(i) To an individual; or~~

~~(ii) For the use of a partnership, corporation, or unincorporated association].~~

~~(2) THE LICENSES SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION ARE FOR SEPARATE PREMISES.~~

~~[(2)] (3) A person, including a corporation, limited liability company, partnership, limited partnership, joint venture, association, or other combination of persons, whether natural or otherwise and for whatever reason formed, may not have a direct or indirect interest in any combination of more than 1 CLASS D AND 9 Class B and Class BLX licenses.~~

~~[(3)] (4) For purposes of this subsection, an indirect interest is presumed to exist between two persons, corporations, limited liability companies, partnerships, limited partnerships, joint ventures, associations, or other combination of persons, whether natural or otherwise, if any of the following conditions exist between them:~~

~~(i) A common parent company;~~

~~(ii) A franchise agreement;~~

~~(iii) A licensing agreement;~~

~~(iv) A concession agreement;~~

1 ~~(v) Both are part of a chain of businesses commonly owned and~~  
 2 ~~operated;~~

3 ~~(vi) They share:~~

4 ~~1. Directors, stockholders, partners, or members; or~~

5 ~~2. Directors, stockholders, partners, or members of parents~~  
 6 ~~or subsidiaries;~~

7 ~~(vii) They commonly share, directly or indirectly, profit from the sale~~  
 8 ~~of alcoholic beverages; or~~

9 ~~(viii) They share a common trade name, trademark, logo or theme, or~~  
 10 ~~mode of operation identifiable by the public.~~

### 11 Article – Alcoholic Beverages

12 23-1606.

13 (a) **(1)** Subject to subsections (b) and (c) of this section, the Board may issue to  
 14 an individual or for the use of a person **ONE OF THE FOLLOWING GROUPS OF LICENSES**  
 15 **BUT NOT BOTH:**

16 **[(1)](I) ONE CLASS D (ON- AND OFF-SALE) BEER, WINE, AND**  
 17 **LIQUOR LICENSE, two Class B (on-sale) beer, wine, and liquor licenses and seven Class**  
 18 **BLX (luxury restaurant)(on-sale) beer, wine, and liquor licenses; or**

19 **[(2)](II) ONE CLASS D (ON- AND OFF-SALE) BEER, WINE, AND**  
 20 **LIQUOR LICENSE AND nine Class BLX (luxury restaurant)(on-sale) beer, wine, and liquor**  
 21 **licenses.**

22 **(2) THE LICENSES SPECIFIED IN PARAGRAPH (1) OF THIS**  
 23 **SUBSECTION ARE FOR SEPARATE PREMISES.**

24 (b) A person may not have a direct or indirect interest in any combination of more  
 25 than ONE CLASS D AND nine Class B and Class BLX licenses.

26 (c) For purposes of this section, an indirect interest is presumed to exist between  
 27 two persons if both:

28 (1) have a common parent company;

29 (2) are linked by a franchise agreement, licensing agreement, or a  
 30 concession agreement;

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1           (3)   are part of a chain of businesses commonly owned and operated;

2           (4)   share:

3                 (i)   directors, stockholders, partners, or members; or

4                 (ii) directors, stockholders, partners, or members of parents or  
5 subsidiaries;

6           (5)   share, directly or indirectly, profit from the sale of alcoholic beverages;  
7 or

8                 (6)   share a common trade name, trademark, logo, or theme, or mode of  
9 operation identifiable by the public.

10           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
11 1, 2016.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.