

SENATE BILL 1064

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6lr3526

By: **Senator Feldman**

Introduced and read first time: February 19, 2016

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Issuance of Class A Licenses**

3 FOR the purpose of specifying that with certain exceptions not more than one alcoholic
4 beverages license may be issued in one jurisdiction to an individual or for a certain
5 use; increasing, subject to certain conditions, the number of Class A alcoholic
6 beverages licenses that may be issued in the State to any individual for a certain use;
7 requiring a local licensing board to consider certain factors before issuing a certain
8 license to an individual; prohibiting a holder of certain licenses from being
9 designated a chain store, supermarket, or discount house by way of certain factors;
10 affirming that no license under this Act will be granted as a matter of right; requiring
11 that all applicants adhere to all local licensing regulations; and generally relating to
12 retail alcoholic beverages licenses issued in the State.

13 BY repealing and reenacting, with amendments,

14 Article – Alcoholic Beverages

15 Section 4–203

16 Annotated Code of Maryland

17 (As enacted by Chapter ____ (S.B. 724) of the Acts of the General Assembly of 2016)

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

20 **Article – Alcoholic Beverages**

21 4–203.

22 (a) Except as otherwise provided in Division II of this article or Title 3, Title 4, or
23 Title 5 of this division, more than one license may not be issued **IN ONE JURISDICTION**:

24 (1) to an individual; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) for the use of a partnership, a corporation, an unincorporated
2 association, or a limited liability company.

3 (b) Except as otherwise provided in Division II of this article or Title 3, Title 4, or
4 Title 5 of this division, an individual may not be issued in the State more than one [Class
5 A,] Class C[,] or Class D license for the use of:

6 (1) that individual; or

7 (2) a partnership, a corporation, an unincorporated association, or a
8 limited liability company.

9 (C) (1) **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
10 **NOT MORE THAN TWO CLASS A LICENSES MAY BE ISSUED IN THE STATE TO ANY**
11 **INDIVIDUAL FOR THE USE OF:**

12 (I) **THAT INDIVIDUAL; OR**

13 (II) **A PARTNERSHIP, A CORPORATION, AN UNINCORPORATED**
14 **ASSOCIATION, OR A LIMITED LIABILITY COMPANY.**

15 (2) **ONLY ONE CLASS A LICENSE MAY BE ISSUED TO AN INDIVIDUAL**
16 **FOR THE USE OF AN ESTABLISHMENT THAT DERIVES LESS THAN 85% OF REVENUE**
17 **FROM THE SALE OF ALCOHOLIC BEVERAGES.**

18 (D) **BEFORE ISSUING A CLASS A LICENSE TO AN INDIVIDUAL, A LOCAL**
19 **LICENSING BOARD SHALL CONSIDER:**

20 (1) **THE NUMBER AND LOCATION OF EXISTING LICENSE HOLDERS;**
21 **AND**

22 (2) **THE POTENTIAL EFFECT ON EXISTING LICENSE HOLDERS OF THE**
23 **LICENSE APPLIED FOR.**

24 (E) **A HOLDER OF TWO CLASS A LICENSES MAY NOT BE DESIGNATED A**
25 **CHAIN STORE, SUPERMARKET, OR DISCOUNT HOUSE BY WAY OF COOPERATIVE**
26 **BUYING, THE TRANSFERENCE OF INVENTORY AND STOCK, OR POSSESSION OR USE**
27 **OF COMMON COMMERCIAL EQUIPMENT AND VEHICLES.**

28 (F) (1) **THIS SECTION DOES NOT ALLOW AN INDIVIDUAL TO OBTAIN A**
29 **LICENSE BY RIGHT.**

1 **(2) ALL APPLICANTS ARE REQUIRED TO ADHERE TO ALL LOCAL**
2 **LICENSING REGULATIONS.**

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