$\begin{array}{c} \text{A2} \\ \text{CF HB 485} \end{array}$ 

By: Senators Jennings and Norman

Introduced and read first time: March 6, 2017

Assigned to: Rules

AN ACT concerning

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## A BILL ENTITLED

Harford County - Alcoholic Beverages - Interest in More Than One License

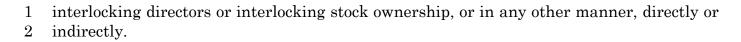
- 3 FOR the purpose of specifying that a percentage rent provision in a commercial lease does
- 4 not constitute an interest in an alcoholic beverages license in Harford County; and
- 5 generally relating to alcoholic beverages in Harford County.
- 6 BY repealing and reenacting, without amendments,
- 7 Article Alcoholic Beverages
- 8 Section 22–102 and 22–1501
- 9 Annotated Code of Maryland
- 10 (2016 Volume and 2016 Supplement)
- 11 BY repealing and reenacting, with amendments,
- 12 Article Alcoholic Beverages
- 13 Section 22–1503
- 14 Annotated Code of Maryland
- 15 (2016 Volume and 2016 Supplement)
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 17 That the Laws of Maryland read as follows:
- 18 Article Alcoholic Beverages
- 19 22–102.
- This title applies only in Harford County.
- 21 22–1501.
- 22 (a) The following sections of Title 4, Subtitle 2 ("Issuance or Denial of Local
- 23 Licenses") of Division I of this article apply in the county without exception or variation:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (1) § 4–205 ("Chain store, supermarket, or discount house");
- 2 (2) § 4–206 ("Limitations on retail sales floor space");
- 3 (3) § 4–207 ("Licenses issued to minors");
- 4 (4) § 4–209 ("Hearing");
- 5 (5) § 4–213 ("Replacement licenses"); and
- 6 (6) § 4–214 ("Waiting periods after denial of license applications").
- 7 (b) The following sections of Title 4, Subtitle 2 ("Issuance or Denial of Local 8 Licenses") of Division I of this article apply in the county:
- 9 (1) § 4–202 ("Authority of local licensing boards"), subject to § 22–1502 of 10 this subtitle;
- 11 (2) § 4–203 ("Prohibition against issuing multiple licenses to individual or
- 12 for use of entity"), subject to §§ 22–1503 and 22–1504 of this subtitle and Subtitle 13, Part
- 13 III and Subtitle 16, Part II of this title;
- 14 (3) § 4–204 ("Prohibition against issuing multiple licenses for same
- premises"), subject to §§ 22–1503 and 22–1504 of this subtitle and Subtitle 13, Part III of
- 16 this title:
- 17 (4) § 4–208 ("Notice of license application required"), subject to § 22–1505
- 18 of this subtitle;
- 19 (5) § 4–210 ("Approval or denial of license application"), subject to §§
- 20 22–1506 and 22–1507 of this subtitle;
- 21 (6) § 4–211 ("License forms; effective date; expiration"), subject to §
- 22 22–1508 of this subtitle; and
- 23 (7) § 4–212 ("License not property"), in addition to § 22–1509 of this
- 24 subtitle.
- 25 22-1503.
- 26 (a) (1) Except as otherwise provided in this title, a person may not have
- 27 interest in more than one license.
- 28 (2) Paragraph (1) of this subsection applies whether the license is held or
- 29 controlled by direct or indirect ownership, by franchise operation, by stock ownership, by



- 3 (b) Under subsection (a) of this section, an indirect ownership interest is 4 presumed to exist between any combination of individuals, corporations, limited liability 5 companies, partnerships, limited partnerships, joint ventures, associations, or other 6 persons if any of the following conditions exist between them:
- 7 (1) a common parent company;
- 8 (2) a franchise agreement;
- 9 (3) a licensing agreement;
- 10 (4) a concession agreement;
- 11 (5) dual membership in a chain of businesses commonly owned and
- 12 operated;
- 13 (6) a sharing of directors, stockholders, partners, or members, or a sharing 14 of directors, stockholders, partners, or members of parents or subsidiaries;
- 15 (7) common direct or indirect sharing of profit from the sale of alcoholic 16 beverages; or
- 17 (8) a sharing of a common trade name, trademark, logo, or theme, or mode 18 of operation identifiable by the public.
- 19 (C) A PERCENTAGE RENT PROVISION IN A COMMERCIAL LEASE DOES NOT 20 CONSTITUTE AN INTEREST IN A LICENSE.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.