Chapter 135

(House Bill 901)

AN ACT concerning

Harford County - Alcoholic Beverages - Applications for Licenses and Transfers

FOR the purpose of altering the ownership requirements for certain applicants for certain alcoholic beverages licenses in Harford County; altering the ownership requirements for certain applicants for the transfer of certain alcoholic beverages licenses in Harford County; and generally relating to alcoholic beverages licenses in Harford County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 22–102 and 22–1405(a)(1) and (2) Annotated Code of Maryland (2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 22–1405(a)(4) and 22–1703(b) Annotated Code of Maryland (2016 Volume and 2017 Supplement)

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

Article - Alcoholic Beverages

22-102.

This title applies only in Harford County.

22-1405.

- (a) (1) A license for the use of a corporation, an unincorporated entity, or a limited liability company shall be applied for by and issued to, as individuals:
 - (i) three officers holding a financial interest in the corporation; or
- (ii) three authorized persons holding a financial interest in the limited liability company.
- (2) One of the three individual applicants who apply for a license shall be a resident of the county.

- (4) For a license issued after July 1, 1984, the resident applicant shall:
- (i) 1. [except for an applicant for a Class B] FOR A CLASS A BEER AND WINE LICENSE OR A CLASS A-1 OR CLASS A-2 beer, wine, and liquor license, SHALL own at least 25% of the total corporation, unincorporated entity, or limited liability company; expression of the total corporation of the company of the total corporation of the company of the total corporation of the company of th
- 2. [if an applicant for a Class B beer, wine, and liquor] **FOR ANY TYPE OF LICENSE OTHER THAN ONE SPECIFIED IN ITEM 1** OR 3 OF THIS ITEM OR A CLASS C 1, CLASS C 2, OR CLASS C 3 license, SHALL own at least 10% of the total corporation, unincorporated entity, or limited liability company; OR
- 3. FOR A CLASS C-1, CLASS C-2, OR CLASS C-3 LICENSE, MAY OWN ANY AMOUNT OR NO AMOUNT OF THE TOTAL CORPORATION, UNINCORPORATED ENTITY, OR LIMITED LIABILITY COMPANY;
 - (ii) SHALL serve as manager or supervisor; and
- (iii) <u>SHALL</u> be physically present on the premises for a substantial amount of time on a daily basis.

22-1703.

- (b) (1) This subsection applies to the resident applicant of a licensed establishment for which a license was transferred after July 1, 1984, on behalf of a corporation, an unincorporated entity, or a limited liability company.
 - (2) The resident applicant shall:
- (i) 1. [unless] IF the transferred license is a [Class B beer, wine, and liquor license as provided in item 2 of this item,] CLASS A BEER AND WINE LICENSE OR A CLASS A-1 OR CLASS A-2 BEER, WINE, AND LIQUOR LICENSE, SHALL own at least 25% of the total corporation, unincorporated entity, or limited liability company; **
- 2. if the transferred license is [a Class B beer, wine, and liquor] ANY TYPE OF LICENSE OTHER THAN ONE SPECIFIED IN ITEM 1 OR 3 OF THIS ITEM OR A CLASS C-1, CLASS C-2, OR CLASS C-3 license, SHALL own at least 10% of the total business; OR
- 3. FOR A CLASS C-1, CLASS C-2, OR CLASS C-3 LICENSE, MAY OWN ANY AMOUNT OR NO AMOUNT OF THE TOTAL CORPORATION, UNINCORPORATED ENTITY, OR LIMITED LIABILITY COMPANY;

- (ii) SHALL serve as manager or supervisor; and
- (iii) $\underline{\mathbf{SHALL}}$ be physically present on the premises a substantial amount of time on a daily basis.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, April 10, 2018.