

HOUSE BILL 542

A2

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CF SB 346

By: ~~Delegate Carey~~ **Anne Arundel County Delegation**

Introduced and read first time: January 27, 2020

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2020

CHAPTER _____

1 AN ACT concerning

2 **Anne Arundel County – Alcoholic Beverages – Multiple Licenses**

3 FOR the purpose of altering the types of licenses and forms of ownership subject to certain
4 restrictions on the number of certain licenses a license holder may hold in Anne
5 Arundel County; altering certain restrictions on the licenses a holder may hold by
6 direct or indirect interest in the county; repealing certain restrictions on certain
7 license holders being issued another license in the county; repealing certain
8 locational requirements for certain additional licenses; and generally relating to
9 alcoholic beverages licenses in Anne Arundel County.

10 BY repealing and reenacting, without amendments,
11 Article – Alcoholic Beverages
12 Section 11–102
13 Annotated Code of Maryland
14 (2016 Volume and 2019 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Alcoholic Beverages
17 Section 11–1505 and 11–1607
18 Annotated Code of Maryland
19 (2016 Volume and 2019 Supplement)

20 BY repealing
21 Article – Alcoholic Beverages
22 Section 11–1609

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.



1 Annotated Code of Maryland
2 (2016 Volume and 2019 Supplement)

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

5 **Article – Alcoholic Beverages**

6 11–102.

7 This title applies only in Anne Arundel County.

8 11–1505.

9 (a) Subject to subsection (b) of this section, unless expressly authorized by this
10 article, a person may not have an interest in more than one license issued by the Board,
11 regardless of whether that interest is held or controlled by direct or indirect ownership,
12 stock ownership, interlocking directors or interlocking stock ownership, franchise
13 operation, chain store operation, or any other direct or indirect manner.

14 (b) [Except for an interest held or controlled by franchise operation or chain store
15 operation, an] AN individual may have an interest in more than one Class B license, Class
16 H license, or Class BLX license issued by the Board[, regardless of whether that interest is
17 held or controlled by direct or indirect ownership, stock ownership, interlocking directors
18 or interlocking stock ownership, or any other direct or indirect manner] IN ACCORDANCE
19 WITH § 11–1607 OF THIS TITLE.

20 11–1607.

21 (a) (1) A license holder may hold not more than 10 [licenses of any class in
22 accordance with this section] **CLASS B, CLASS H, OR CLASS BLX LICENSES, OR ANY**
23 **COMBINATION OF THESE LICENSES.**

24 (2) [Of the licenses held by a license holder:

25 (i) not more than four licenses may be licenses in which the license
26 holder holds a direct interest; and]

27 **(I) FOR PURPOSES OF THIS SECTION, A LICENSE HOLDER MAY**
28 **HOLD A LICENSE BY DIRECT OR INDIRECT INTEREST.**

29 (ii) [the remaining licenses may only be licenses in which the license
30 holder holds an indirect interest, as] **AN INDIRECT INTEREST MAY BE** evidenced **ONLY**
31 by any of the following relationships involving the license holder and another license holder
32 or the license holder and an applicant for a license:

- 1 1. a common parent company;
- 2 2. a franchise agreement;
- 3 3. a licensing agreement;
- 4 4. a concession agreement;
- 5 5. membership by the license holder and the other person in
6 a chain of businesses commonly owned and operated and so portrayed to the public;
- 7 6. sharing of directors or stockholders or sharing of directors
8 or stockholders of parent companies or subsidiaries;
- 9 7. common direct or indirect sharing of profit from the sale of
10 alcoholic beverages;
- 11 8. sharing of a common trade name, trademark, logo, or
12 theme; or
- 13 9. except for hotels and motels, sharing of a mode of
14 operation identifiable by the public.

15 (b) The Board may issue [one Class B license, Class BLX license, or Class H
16 license] **THE LICENSES** to a person for [a restaurant] **RESTAURANTS** located anywhere in
17 the county.

18 [(c) The Board may issue a second license to a license holder if:

- 19 (1) the license holder holds a Class B license that has a restriction
20 prohibiting off-sales, a Class H license, or a Class BLX license;
- 21 (2) the license sought is a Class H license or a Class BLX license; and
- 22 (3) the restaurant for which the license is sought is located in:
 - 23 (i) the Glen Burnie Urban Renewal Area;
 - 24 (ii) the Parole Town Center Growth Management Area;
 - 25 (iii) the Odenton Town Center Growth Management Area;
 - 26 (iv) the Baltimore–Washington International Thurgood Marshall
27 Airport State Priority Funding Area, as designated by the county in accordance with §
28 6–301(f)(8) of the Economic Development Article;

1 (v) a shopping center with a gross area of at least 1,000,000 square
2 feet that is zoned C3 General Commercial or MXD-C (Mixed Use Commercial) by the
3 zoning article of the County Code;

4 (vi) the Route 198 corridor, consisting of properties located within
5 500 feet of the right-of-way of Maryland Route 198, from Maryland Route 32 on the east
6 to the Prince George's County-Anne Arundel County line on the west;

7 (vii) a community revitalization zone with a designation in the series
8 "A" through "P", inclusive, as shown on the map adopted by the County Council by Bill
9 97-01 of the county ordinances;

10 (viii) the Severn Commercial District, consisting of properties
11 designated as "commercial zoning" by the comprehensive rezoning maps adopted by the
12 County Council and located on that portion of Maryland Route 174 west of Maryland Route
13 100 and east of the railroad right-of-way owned by the National Railroad Passenger
14 Corporation (Parcel 117, Anne Arundel County Tax Map 29);

15 (ix) the Edgewater/Mayo Commercial District, consisting of those
16 properties that are designated "commercial zoning districts" on the comprehensive rezoning
17 maps adopted by the County Council for the Edgewater/Mayo Small Area Planning District;

18 (x) the Pasadena Commercial District, consisting of those properties
19 that are designated "commercial zoning areas", including Lake Shore Crossing, Lake Shore
20 Plaza, and the Mountain Marketplace Shopping Center on the comprehensive zoning maps
21 adopted by the County Council for the Pasadena Small Area Planning District; or

22 (xi) the area in Pasadena known as the Brumwell Property.

23 (d) The Board may issue a third license to a license holder if:

24 (1) the license sought is a Class BLX license; and

25 (2) the restaurant for which the license is sought is located in:

26 (i) the Glen Burnie Urban Renewal Area;

27 (ii) the Parole Town Center Growth Management Area;

28 (iii) the Odenton Town Center Growth Management Area;

29 (iv) the Baltimore-Washington International Thurgood Marshall
30 Airport State Priority Funding Area, as designated by the county in accordance with §
31 6-301(f)(8) of the Economic Development Article;

1 (v) a shopping center with a gross area of at least 1,000,000 square
2 feet that is zoned C3 General Commercial or MXD-C (Mixed Use Commercial) by the
3 zoning article of the County Code;

4 (vi) the Route 198 corridor, consisting of properties located within
5 500 feet of the right-of-way of Maryland Route 198, from Maryland Route 32 on the east
6 to the Prince George's County-Anne Arundel County line on the west;

7 (vii) a community revitalization zone with a designation in the series
8 "A" through "P", inclusive, as shown on the map adopted by the County Council by Bill
9 97-01 of the county ordinances;

10 (viii) the Severn Commercial District, consisting of properties
11 designated as "commercial zoning" by the comprehensive rezoning maps adopted by the
12 County Council and located on that portion of Maryland Route 174 west of Maryland Route
13 100 and east of the railroad right-of-way owned by the National Railroad Passenger
14 Corporation (Parcel 117, Anne Arundel County Tax Map 29);

15 (ix) the Edgewater/Mayo Commercial District, consisting of those
16 properties that are designated "commercial zoning districts" on the comprehensive rezoning
17 maps adopted by the County Council for the Edgewater/Mayo Small Area Planning District;

18 (x) the Pasadena Commercial District, consisting of those properties
19 that are designated "commercial zoning areas", including Lake Shore Crossing, Lake Shore
20 Plaza, and the Mountain Marketplace Shopping Center on the comprehensive zoning maps
21 adopted by the County Council for the Pasadena Small Area Planning District; or

22 (xi) the area in Pasadena known as the Brumwell Property.

23 (e) (1) The Board may issue a fourth, fifth, sixth, seventh, eighth, ninth, or
24 tenth license to a license holder if the license sought is a Class BLX license.

25 (2) The restaurant for which the license is sought may be located anywhere
26 in the county.]

27 **(C) THE BOARD MAY ISSUE MULTIPLE LICENSES UNDER THIS SECTION TO**
28 **THE HOLDER OF A CLASS B LICENSE ONLY IF THE CLASS B LICENSE HAS A**
29 **RESTRICTION PROHIBITING OFF-SALES.**

30 **[(f)] (D)** (1) Except as provided in paragraph (2) of this subsection, a license
31 that was issued on or before June 30, 2006, and in which a license holder holds a direct
32 interest or an indirect interest shall be counted against the maximum number of 10 licenses
33 that the license holder may hold under this section but is exempt from the restrictions
34 under subsections (b) [through (e)] **AND (C)** of this section.

1 (2) A Class H license that was issued in the period beginning on March 14,
2 2005, and ending on December 1, 2005, may not be counted against the maximum number
3 of 10 licenses that the license holder may hold under this section.

4 [(g)] (E) The Board shall adopt regulations to carry out this section.

5 [11-1609.

6 (a) (1) Subject to paragraph (2) of this subsection, the Board may issue:

7 (i) a second license, if the second license is any Class H license, to:

8 1. a holder of any Class B license that has a restriction
9 prohibiting sales for consumption off the premises; or

10 2. a holder of any Class H license; or

11 (ii) not more than four additional licenses, if each additional license
12 is a Class H beer and light wine license, to:

13 1. a holder of a Class B beer and light wine license that has
14 a restriction prohibiting sales for consumption off the premises; or

15 2. a holder of a Class H beer and light wine license.

16 (2) At least one restaurant for which the Class H license under paragraph
17 (1) of this subsection is sought or to which the original Class B or Class H license applies
18 must be in:

19 (i) a suburban community center designated by the county in
20 accordance with Bill Nos. 36-96 and 70-96 of the county ordinances; or

21 (ii) one of the following locations as the location existed on October
22 1, 1999:

23 1. the Glen Burnie Urban Renewal Area;

24 2. the Parole Town Center Growth Management Area;

25 3. the Odenton Town Center Growth Management Area;

26 4. the Baltimore-Washington International Thurgood
27 Marshall Airport State Priority Funding Area, as designated by the county in accordance
28 with § 6-301(f)(8) of the Economic Development Article;

1 5. a shopping center with a gross area of at least 1,000,000
2 square feet that is zoned C3 General Commercial by the zoning article of the County Code;
3 or

4 6. the Route 198 corridor, consisting of properties located
5 within 500 feet of the right-of-way of Maryland Route 198, from Maryland Route 32 on the
6 east to the Prince George’s County–Anne Arundel County line on the west.

7 (b) The Board may not issue more than 60 Class H licenses under this section.

8 (c) (1) Subject to paragraph (2) of this subsection, the Board may issue a
9 maximum of:

10 (i) two licenses to a person in the county if each license is a Class H
11 beer, wine, and liquor license; or

12 (ii) five licenses to a person in the county if each license is a Class H
13 beer and light wine license.

14 (2) At least one restaurant for which one of the Class H licenses under
15 paragraph (1) of this subsection is sought must be in:

16 (i) a suburban community center designated by the county in
17 accordance with Bill Nos. 36–96 and 70–96 of the county ordinances; or

18 (ii) one of the following locations as the location existed on October
19 1, 1999:

20 1. the Glen Burnie Urban Renewal Area;

21 2. the Parole Town Center Growth Management Area;

22 3. the Odenton Town Center Growth Management Area;

23 4. the Baltimore–Washington International Thurgood
24 Marshall Airport State Priority Funding Area, as designated by the county in accordance
25 with § 6–301(f)(8) of the Economic Development Article;

26 5. a shopping center with a gross area of at least 1,000,000
27 square feet that is zoned C3 General Commercial by the zoning article of the County Code;
28 or

29 6. the Route 198 corridor, consisting of properties located
30 within 500 feet of the right-of-way of Maryland Route 198, from Route 32 on the east to
31 the Prince George’s County–Anne Arundel County line on the west.

1 (d) A franchisor may not have a direct ownership interest, as defined by the
2 Board, in more than five licenses under this section.

3 (e) The Board shall adopt regulations:

4 (1) to carry out this section; and

5 (2) that define “direct ownership interest” for the purposes of subsection (d)
6 of this section.]

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.