Chapter 601

(House Bill 536)

AN ACT concerning

Anne Arundel County - Liquor Licenses - Transfer of License

FOR the purpose of authorizing the Board of License Commissioners for Anne Arundel County to allow a license holder an approved applicant to transfer an alcoholic beverages license to other premises within the same tax assessment district as a certain distance of the premises for which the license was issued under certain circumstances; providing for the application of this Act; making this Act an emergency measure; and generally relating to alcoholic beverages in Anne Arundel County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 11–102 and 11–1701(b) Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 11–1702 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

Article - Alcoholic Beverages

11-102.

This title applies only in Anne Arundel County.

11 - 1701.

- (b) The following sections of Title 4, Subtitle 3 ("Transfer of Local Licenses; Substitution of Names on License") of Division I of this article apply in the county:
- (1) § 4-302 ("Transfer of place of business; transfer of license and inventory"), subject to § 11-1702 of this subtitle;
- (2) § 4–305 ("Filing fee and endorsement"), subject to § 11-1703 of this subtitle; and

(3) § 4-306 ("Substitution of names of officers on license"), subject to § 11-1706 of this subtitle.

11 - 1702.

- (a) (1) Subject to subsection (b) of this section, the Board may not approve an application for the transfer of a license unless:
- (i) all obligations of the transferor pertaining to the licensed establishment have been paid; or
- (ii) an arrangement concerning debts and obligations satisfactory to the transferor's creditors has been made.
- (2) Paragraph (1) of this subsection also applies to approval of an application for a new license if the Board believes that the application is being used to avoid provisions regarding the transfer of a license.
 - (b) The Board is not bound by subsection (a) of this section unless:
- (1) a creditor submits a claim, under affidavit, to the Board before the hearing held on the transfer; and
- (2) the claim involves an indebtedness incurred in the operation of the licensed premises.
- (C) ON WITHIN 1 YEAR AFTER THE DATE OF FINAL APPROVAL BY THE BOARD, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS AND REGULATIONS ON TRANSFERS OF LICENSES, A LICENSE HOLDER AN APPROVED APPLICANT MAY TRANSFER THE LICENSE TO OTHER PREMISES IN THE SAME TAX ASSESSMENT DISTRICT WITHIN ONE-HALF MILE IF THE PREMISES FOR WHICH THE LICENSE WAS ISSUED IS:
- (1) SUBSTANTIALLY DESTROYED BY FIRE, EXPLOSION, OR CATASTROPHE;
 - (2) TAKEN BY CONDEMNATION; OR
 - (3) TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN; OR
- (4) NO LONGER LEASED BY THE LICENSE HOLDER DUE TO THE DELAY OF A COURT CASE OR OTHER ADMINISTRATIVE PROCESS DELAY.

SECTION 2. AND BE IT FURTHER ENACTED, That <u>this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect any application for an alcoholic beverages license submitted on or after January 1, 2013.</u>

<u>SECTION 3. AND BE IT FURTHER ENACTED, That</u> this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.