

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 374

(Harford County Senators)

Education, Health, and Environmental Affairs

Economic Matters

Harford County - Alcoholic Beverages - Operator License Holder -
Establishment Operations

This bill alters requirements for the transfer of an alcoholic beverages license in Harford County to apply to an *operator license holder*, instead of a *resident applicant*, who is an operator of a licensed establishment on behalf of a corporation, an unincorporated entity, or a limited liability company. The bill also repeals a requirement that a specified license holder must own at least 10% of a total business. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: The bill is not anticipated to materially affect Harford County finances or operations.

Small Business Effect: Minimal.

Analysis

Current Law: The Harford County Board of License Commissioners must transfer a license that is issued for use in a business if the business is sold to a different owner and the new owner qualifies as a license holder. Provisions of law pertaining to license transfers in Harford County apply 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.

The resident applicant (1) must own at least 25% of the total corporation, unincorporated entity, or limited liability company if the transferred license is a Class A beer and wine license or a Class A-1 or Class A-2 beer, wine, and liquor license; (2) may own any amount or no amount of the total corporation, unincorporated entity, or limited liability company for a Class C-1, Class C-2, or Class C-3 license; or (3) must own at least 10% of the total business if the transferred license is any other type of license.

The resident applicant must also serve as a manager or supervisor, and must be physically present on the premises a substantial amount of time on a daily basis.

Background: In fiscal 2019, there were 201 alcoholic beverages licenses issued in Harford County.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Harford County; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2020
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