## HOUSE BILL 852

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HB 599/06 - ECM

By: Delegates Boteler, Aumann, Frank, Stocksdale, and Weir

Introduced and read first time: February 9, 2007
Assigned to: Economic Matters

## A BILL ENTITLED

AN ACT concerning

## Alcoholic Beverages - Licensees and Permit Holders - Age Requirement

FOR the purpose of requiring that an individual who applies for an alcoholic beverages permit or a license shall be at least 21 years old before the permit or license may be issued; providing for certain exceptions; applying the requirement to individuals who apply for licenses on their own behalf or for another person; making certain stylistic changes; providing for the application of this Act; and generally relating to holders of alcoholic beverages permits or licenses.

BY repealing and reenacting, without amendments,
Article 2B - Alcoholic Beverages
Section 2-101(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)
BY adding to
Article 2B - Alcoholic Beverages
Section 2-101(a-1) and 10-103(a-1)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)
BY repealing and reenacting, with amendments,
Article 2B - Alcoholic Beverages
Section 9-101(a) and 10-102
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)


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

## Article 2B - Alcoholic Beverages

2-101.
(a) The Office of the Comptroller shall provide application forms for the permits listed in this section and applicants shall make application to the Office of the Comptroller. The procedure in issuing permits, the purchase of alcoholic beverages, and the exercise of the privileges granted under the various permits shall be subject to regulations promulgated by the Office of the Comptroller. The Office of the Comptroller may cancel, restrict, suspend, or revoke any permit.

## (A-1) AN individual shall be at least 21 years old before the INDIVIDUAL MAY BE ISSUED A PERMIT UNDER THIS ARTICLE.

9-101.
(a) A license may not be issued to a partnership, to a corporation, or to a limited liability company, but only to individuals authorized to act for a partnership, corporation, or limited liability company who shall assume all responsibilities as individuals, and be subject to all of the penalties, conditions and restrictions imposed upon licensees under the provisions of the Tax - General Article that relate to the alcoholic beverage tax and the provisions of this article. If the application is made for a partnership, the license shall be applied for and be issued to all the partners as individuals, all of whom shall have resided in the city or county in which the place of business is located for at least 2 years prior to the application.
(1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN INDIVIDUAL, ACTING ON THE INDIVIDUAL'S OWN BEHALF OR FOR ANY OTHER PERSON, INCLUDING A PARTNERSHIP, CORPORATION, AND LIMITED LIABILITY COMPANY, SHALL BE AT LEAST 21 YEARS OLD BEFORE THE INDIVIDUAL MAY BE ISSUED A LICENSE UNDER THIS ARTICLE.
(II) AN INDIVIDUAL WHO IS AT LEAST 18 YEARS OLD BUT UNDER THE AGE OF 21 YEARS MAY BE ISSUED A LICENSE FOR A PERIOD NOT EXCEEDING 12 MONTHS IF:

# 1. UNDER § 10-506(A) OF THIS ARTICLE, A CERTIFICATE OF PERMISSION IS SOUGHT FOR THE CONTINUATION OF A BUSINESS ON THE DEATH OF THE HOLDER OF A LICENSE; OR 

## 2. UNDER § 10-506(B) OF THIS ARTICLE, THE INDIVIDUAL IS A SURVIVING SPOUSE, A SURVIVING PARTNER ACTING FOR THE BENEFIT OF A PARTNERSHIP, OR THE SENIOR SURVIVING OFFICER ACTING FOR THE BENEFIT OF A CORPORATION.

[(1)] (2) (i) Subject to subparagraph (ii) of this paragraph, in Baltimore and Montgomery counties, if the application is made for a partnership, the license shall be applied for and issued to at least 2 general partners as individuals, at least one of whom is a registered voter of the county where the application is made and resides there at the time of the application. If there is only one general partner, the license shall be issued to that partner as an individual, if that partner is a registered voter of the county where the application is made and resides there at the time of application.
(ii) In Baltimore County, the provisions of this paragraph may not be construed to waive any of the requirements under §§ $9-102,9-102.2$, and $9-301$ of this article.
[(2)] (3) In Harford County, the applicant shall be a bona fide resident of Harford County at the time of filing the application and shall remain a resident as long as the license is in effect. The applicant is not required to be a registered voter.
[(3)] (4) In Prince George's County, if an application is made for a sole proprietorship or partnership, the license shall be applied for and issued to all partners as individuals, all of whom shall have resided in Prince George's County for at least 2 years prior to the application, are registered voters in Prince George's County, and shall continue to be bona fide residents of Prince George's County as long as the license is in effect.
[(4)] (5) (i) 1. In Frederick County, if an alcoholic beverages license application is made for a partnership, the license shall be applied for and issued to 3 individuals.
2. None of the 3 individuals need to be partners. However, all 3 individuals shall be authorized in writing to act for the partnership by making application for and becoming holders of the license for partnership.
3. Of the 3 individuals, 1 shall be a registered voter at the time of application and prior thereto and be a resident of Frederick County for at least 2 years prior to making application.
4. The names of all of the partners shall be stated on the application.
(ii) If a corporation, partnership, or limited liability company is a partner of the partnership for which application is being made, the applicants shall state on the application:

1. The name of any owner of more than 33 percent of the stock in the corporate partner;
2. The name of any owner of more than 33 percent of ownership interest of the partnership partner; or
3. The name of any member with more than a 33 percent interest in the limited liability company partner.
[(5)] (6)
(i) This paragraph [(5)] applies only to licenses issued by the State Comptroller.
(ii) If a license application is made for a partnership, the license shall be issued to three individuals, each of whom shall qualify as follows:
4. An individual general partner; or
5. When a general partner is a corporation, an officer of the corporation as an individual.
(iii) If less than three general partners or corporate officers exist, then a license may be issued to all of the general partners or officers qualified under subparagraph (ii)2 of this paragraph.
(iv) In each instance under this paragraph, at least one of the applicants shall be:
6. A resident of the State for at least 2 years preceding the filing of the applications; and
7. A registered voter of the State.
(v) This paragraph may not be construed to waive any of the requirements under § 9-102 of this article.

## [(6)] (7) (i) This paragraph applies only in Wicomico County.

(ii) 1. If a stadium beer and light wine license application is made for a partnership, the license shall be applied for and issued to three individuals.
2. None of the three individuals need be partners. However, all three individuals shall be authorized in writing to act for the partnership by making application for and becoming holders of the license for the partnership.
3. Of the three individuals, one shall be a registered voter at the time of application and for 1 year prior to then and be a resident of Wicomico County for at least 2 years prior to making application.
4. The names of all of the partners shall be stated on the application.
(iii) If a corporation, partnership, or limited liability company is a partner of the partnership for which application is being made, the applicants shall state on the application:

1. The name of any owner of more than 33 percent of the stock in the corporate partner;
2. The name of any owner of more than 33 percent of ownership interest of the partnership partner; or
3. The name of any member with more than 33 percent interest in the limited liability company partner.

10-102.
Every application for a Class E, Class F or Class G license shall be upon forms prescribed by the Comptroller, sworn to by [the] EACH applicant, and shall contain the following information: (1) the name and address of the applicant and how long [he] THE APPLICANT has resided within the State of Maryland; (2) the particular company on behalf of which the license is desired; (3) the class of license desired; (4) a statement that the applicant is a citizen of the United States, not less than twenty-one years of age, and that such applicant has never been convicted for a felony; (5) that the applicant has not had a license for the sale of alcoholic beverages revoked; (6) a
statement that the applicant will, if granted a license, conform to all laws and regulations relating to the business with respect to which such license is desired; (7) and a statement by such company assenting to the granting of the license applied for, and authorizing the Comptroller, [his] THE COMPTROLLER'S duly authorized deputies, inspectors and clerks, to inspect and search, without warrant, any and all airplanes, cars or boats to which such license applies, at any and all hours; provided no such inspection or search shall be made at such time or in such manner as to delay or interfere with the movement of any airplane, train or boat.

10-103.
(A-1) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN APPLICANT SHALL BE AT LEAST 21 YEARS OLD BEFORE THE APPLICANT MAY BE ISSUED A LICENSE UNDER THIS ARTICLE.
(2) AN INDIVIDUAL WHO IS AT LEAST 18 YEARS OLD BUT UNDER THE AGE OF 21 YEARS MAY BE ISSUED A LICENSE FOR A PERIOD NOT EXCEEDING 12 MONTHS IF:
(I) UNDER § 10-506(A) OF THIS TITLE, A CERTIFICATE OF PERMISSION IS SOUGHT FOR THE CONTINUATION OF A BUSINESS ON THE DEATH OF THE HOLDER OF A LICENSE; OR
(II) UNDER § 10-506(B) OF THIS TITLE, THE INDIVIDUAL IS A SURVIVING SPOUSE, A SURVIVING PARTNER ACTING FOR THE BENEFIT OF A PARTNERSHIP, OR THE SENIOR SURVIVING OFFICER ACTING FOR THE BENEFIT OF A CORPORATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any individual who has been issued an alcoholic beverages license or permit before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

