SENATE BILL 998

A2

By: **Senator Stone (By Request – Baltimore County Administration) and Senators Brochin, Kasemeyer, Kelley, and Klausmeier**
Introduced and read first time: March 5, 2007
Assigned to: Rules
Re-referred to: Education, Health, and Environmental Affairs, March 8, 2007

Committee Report: Favorable
Senate action: Adopted
Read second time: March 20, 2007

CHAPTER _____

1   AN ACT concerning

2   **Baltimore County – Alcoholic Beverages – Multiple License Holdings**

3   FOR the purpose of increasing the number of certain Class B licenses for hotels and
4   restaurants in Baltimore County that a single person may obtain under certain
5   circumstances; providing that a person may have a direct or indirect interest
6   in a license; specifying certain circumstances that evidence an indirect interest;
7   authorizing the issuance of an additional license to a license holder under
8   certain circumstances; increasing the number of licenses that a single person
9   may obtain for hotels and restaurants in the Liberty Road Commercial
10   Revitalization District in the county; making certain stylistic changes; and
11   generally relating to alcoholic beverages licenses in Baltimore County.

12   BY repealing and reenacting, with amendments,
13   Article 2B – Alcoholic Beverages
14   Section 9–102(b–3B) and (b–3C)
15   Annotated Code of Maryland
16   (2005 Replacement Volume and 2006 Supplement)

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

3   **Article 2B – Alcoholic Beverages**

4 9–102.

5   (b–3B) (1)   Notwithstanding   any other provision of this section or §
6 8–204(l) of this article, in Baltimore County, an individual[, for the use of] **OR** a sole
7 proprietorship, partnership, corporation, unincorporated association, or limited
8 liability company in the county, may obtain [an additional Class B license up to a total
9 of four] **A DIRECT OR INDIRECT INTEREST IN:**

10   **(I)   NOT MORE THAN SIX** Class B (on–sale — hotels and
11 restaurants) beer, wine and liquor licenses under this article**; OR**

12   **(II)   IF ONE OF THE RESTAURANTS FOR WHICH A LICENSE IS
13 ISSUED IS LOCATED IN THE LIBERTY ROAD COMMERCIAL REVITALIZATION
14 DISTRICT IN ACCORDANCE WITH SUBSECTION (B–3C) OF THIS SECTION, NOT
15 MORE THAN SEVEN CLASS B (ON–SALE — HOTELS AND RESTAURANTS) BEER,
16 WINE AND LIQUOR LICENSES UNDER THIS ARTICLE.**

17   **(2)   FOR AN APPLICANT TO OBTAIN A LICENSE UNDER THIS
18 SUBSECTION:**

19   **(I)   THE APPLICANT SHALL APPLY**[, by making application]
20 in the regular manner and [paying] **PAY** the usual fee**; AND**

21   **(II)   **[if the] **THE** restaurants for which the licenses are sought
22 SHALL**:

23   [(i)] **1.**   Meet the requirements of the rules and regulations of
24 the Board of License Commissioners regarding the availability and issuance of
25 licenses;

26   [(ii)] **2.**   Meet the definition requirements of "restaurant"
27 established under the regulations of the Board of License Commissioners;

28   [(iii)] **3.**   Have a minimum seating capacity of 190 persons for
29 dining;

1   **[**(iv)**]** **4.**   Have a cocktail lounge or bar area seating capacity
2   that does not exceed **[**10 percent**]** **10%** of the seating capacity for dining; and

3   **[**(v)**]** **5.**   Have no more than **[**20 percent**]** **20%** of sales in
4   alcoholic beverages in connection with the business.

5   **(3)**   **AN INDIRECT INTEREST IS PRESUMED TO EXIST BETWEEN**
6   **TWO INDIVIDUALS, CORPORATIONS, LIMITED LIABILITY COMPANIES,**
7   **PARTNERSHIPS, LIMITED PARTNERSHIPS, JOINT VENTURES, ASSOCIATIONS, OR**
8   **OTHER COMBINATION OF PERSONS, IF THEY:**

9   **(I)**   **HAVE A COMMON PARENT COMPANY;**

10   **(II)**   **ARE PARTIES TO A FRANCHISE AGREEMENT, LICENSING**
11   **AGREEMENT, OR CONCESSION AGREEMENT;**

12   **(III)**   **ARE PART OF A CHAIN OF BUSINESSES THAT IS**
13   **COMMONLY OWNED AND OPERATED;**

14   **(IV)**   **SHARE A DIRECTOR, STOCKHOLDER, PARTNER, OR**
15   **MEMBER;**

16   **(V)**   **SHARE A DIRECTOR, STOCKHOLDER, PARTNER, OR**
17   **MEMBER OF A PARENT OR SUBSIDIARY;**

18   **(VI)**   **SHARE, DIRECTLY OR INDIRECTLY, PROFIT FROM THE**
19   **SALE OF ALCOHOLIC BEVERAGES; OR**

20   **(VII)**   **SHARE A TRADE NAME, TRADEMARK, LOGO OR THEME,**
21   **OR MODE OF OPERATION IDENTIFIABLE BY THE PUBLIC.**

22   **[**(2)**]** **(4)**   Off–sale privileges may not be conferred by these licenses.

23   **[**(3)**]** **(5)**   **(I)**   **[**Nothing**]** **EXCEPT AS PROVIDED IN**
24   **SUBPARAGRAPH (II) OF THIS PARAGRAPH, NOTHING** contained in this section may
25   be construed to authorize the issuance of more than **[**four**]** **SIX** licenses to an
26   individual **[**for the use of**]** **OR** a sole proprietorship, partnership, corporation,
27   unincorporated association, or limited liability company in the county under this
28   article, including Class B (on–sale — hotels and restaurants), Class B (SB) restaurant
29   — service bar beer, wine and liquor (on–sale), Class B (TTC) restaurant beer, wine

1   and liquor (on–sale), and Class BDR (deluxe restaurant) (on–sale) beer, wine and
2   liquor licenses.

3   **(II)   THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A
4   SEVENTH LICENSE TO A   PERSON IF THE LICENSE IS FOR A RESTAURANT
5   LOCATED IN THE LIBERTY ROAD COMMERCIAL REVITALIZATION DISTRICT IN
6   ACCORDANCE WITH SUBSECTION (B–3C) OF THIS SECTION.**

7   (b–3C) (1)   Notwithstanding   any   other   provision   of   this   section   or   §
8   8–204(l) of this article, in Baltimore County, an individual[, for the use of] **OR** a sole
9   proprietorship, partnership, corporation, unincorporated association, or limited
10   liability company in the county, may obtain [an additional Class B license up to a total
11   of five] **A DIRECT OR INDIRECT INTEREST IN NOT MORE THAN SEVEN** Class B
12   (on–sale — hotels and restaurants) beer, wine and liquor licenses under this article, by
13   making application in the regular manner and paying the usual fee if the restaurant
14   for which the additional license is sought:

15   (i)   Meets the requirements of the rules and regulations of the
16   Board of License Commissioners regarding the availability and issuance of licenses;

17   (ii)   Meets   the   definition   requirements   of   "restaurant"
18   established under the regulations of the Board of License Commissioners;

19   (iii)   Has a minimum seating capacity of 190 persons for dining;

20   (iv)   Has a cocktail lounge or bar area seating capacity that does
21   not exceed [10 percent] **10%** of the seating capacity for dining;

22   (v)   Has no more than [20 percent] **20%** of sales in alcoholic
23   beverages in connection with the business; and

24   (vi)   Is located in the Liberty Road Commercial Revitalization
25   District as defined by the County Council on October 18, 1999.

26   **(2)   AN INDIRECT INTEREST IS PRESUMED TO EXIST BETWEEN
27   TWO   INDIVIDUALS,   CORPORATIONS,   LIMITED   LIABILITY   COMPANIES,
28   PARTNERSHIPS, LIMITED PARTNERSHIPS, JOINT VENTURES, ASSOCIATIONS, OR
29   OTHER COMBINATION OF PERSONS, IF AT LEAST ONE OF THE CONDITIONS
30   LISTED IN SUBSECTION (B–3B)(3) OF THIS SECTION IS PRESENT.**

31   [(2)]**(3)**   Off–sale privileges may not be conferred by these licenses.

1   **[**(3)**](4)**   Nothing contained in this section may be construed to
2 authorize the issuance of more than **[**five**] SEVEN** licenses **[**to**] FOR** an individual **[**for
3 the use of**] OR** a sole proprietorship, partnership, corporation, unincorporated
4 association, or limited liability company in the county under this article, including
5 Class B (hotels and restaurants) beer, wine and liquor (on–sale) licenses, Class B (SB)
6 (restaurant — service bar) beer, wine and liquor (on–sale) licenses, Class B (TTC)
7 (restaurant) beer, wine and liquor (on–sale) licenses, Class B (OMTC) licenses, Class B
8 (TRD) licenses, and Class BDR (deluxe restaurant) beer, wine and liquor (on–sale)
9 licenses.

10   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 June 1, 2007.

Approved:

_____
                                    Governor.

_____
                          President of the Senate.

_____
                  Speaker of the House of Delegates.