

HOUSE BILL 1037

A2

(91r0488)

ENROLLED BILL

—*Economic Matters / Education, Health, and Environmental Affairs*—

Introduced by **Prince George’s County Delegation**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o’clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Prince George’s County – Alcoholic Beverages Licenses – Successor**
3 **Corporations**

4 **PG 301-09**

5 FOR the purpose of specifying that in Prince George’s County, if a certain number of
6 corporations with interests in certain alcoholic beverages licenses undergo a
7 merger, consolidation, or share exchange that results in a single successor
8 corporation during a certain period of time, the total number of licenses that the
9 successor corporation may hold is ~~the greater of certain alternatives~~ the sum of
10 a certain number of licenses held by the successor corporation at a certain time;
11 specifying that an indirect interest in a license is evidenced by certain
12 relationships; exempting this Act from a restriction on the number of licenses
13 that may be issued to a person; and generally relating to alcoholic beverages
14 licenses in Prince George’s County.

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.

Italics indicate opposite chamber / conference committee amendments.



1 BY adding to
 2 Article 2B – Alcoholic Beverages
 3 Section 8–217(e)
 4 Annotated Code of Maryland
 5 (2005 Replacement Volume and 2008 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article 2B – Alcoholic Beverages
 8 Section 9–102(a)
 9 Annotated Code of Maryland
 10 (2005 Replacement Volume and 2008 Supplement)

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

13 **Article 2B – Alcoholic Beverages**

14 8–217.

15 (E) (1) IN PRINCE GEORGE’S COUNTY, IF TWO CORPORATIONS WITH
 16 DIRECT OR INDIRECT INTERESTS IN ALCOHOLIC BEVERAGES LICENSES FOR USE
 17 BY RESTAURANTS UNDERGO A MERGER, CONSOLIDATION, OR SHARE EXCHANGE
 18 THAT RESULTS IN A SINGLE SUCCESSOR CORPORATION DURING THE TIME
 19 PERIOD BEGINNING ON SEPTEMBER 1, 2007 AND ENDING ON JUNE 1, 2008, THE
 20 TOTAL NUMBER OF ALCOHOLIC BEVERAGES LICENSES THAT THE SUCCESSOR
 21 CORPORATION MAY HOLD IS THE ~~GREATER OF:~~

22 ~~(I) THE SUM OF THE LICENSES HELD BY EACH~~
 23 ~~CORPORATION BEFORE THE TWO CORPORATIONS AFTER THE SUCCESSOR~~
 24 ~~CORPORATION WAS FORMED IF THE NUMBER OF LICENSES HELD IS 8 OR LESS;~~
 25 ~~OR~~

26 ~~(II) THE MAXIMUM NUMBER OF LICENSES ANY ONE OF THE~~
 27 ~~CORPORATIONS WAS ENTITLED TO BE ISSUED BEFORE THE SUCCESSOR~~
 28 ~~CORPORATION WAS FORMED.~~

29 (2) AN INDIRECT INTEREST IN A LICENSE IS EVIDENCED BY ANY
 30 OF THE FOLLOWING RELATIONSHIPS INVOLVING THE LICENSEE AND ANOTHER
 31 LICENSEE OR THE LICENSEE AND AN APPLICANT FOR A LICENSE:

32 (I) A COMMON PARENT COMPANY;

33 (II) A FRANCHISE AGREEMENT;

1 (III) A LICENSING AGREEMENT;

2 (IV) A CONCESSION AGREEMENT;

3 (V) MEMBERSHIP BY THE LICENSEE AND THE OTHER
4 PERSON IN A CHAIN OF BUSINESSES COMMONLY OWNED AND OPERATED AND SO
5 PORTRAYED TO THE PUBLIC;

6 (VI) SHARING OF DIRECTORS OR STOCKHOLDERS OR
7 SHARING OF DIRECTORS OR STOCKHOLDERS OF PARENT COMPANIES OR
8 SUBSIDIARIES;

9 (VII) COMMON DIRECT OR INDIRECT SHARING OF PROFIT
10 FROM THE SALE OF ALCOHOLIC BEVERAGES; OR

11 (VIII) SHARING OF A COMMON TRADE NAME, TRADEMARK,
12 LOGO, THEME, OR MODE OF OPERATION IDENTIFIABLE BY THE PUBLIC, EXCEPT
13 HOTELS AND MOTELS.

14 9-102.

15 (a) No more than one license provided by this article, except by way of
16 renewal or as otherwise provided in this section, shall be issued in any county or
17 Baltimore City, to any person, or for the use of any partnership, corporation,
18 unincorporated association, or limited liability company, in Baltimore City or any
19 county of the State, and no more than one license shall be issued for the same
20 premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701 of this
21 article, and nothing herein shall be construed to apply to § 6-201(r)(4), (15), and (17), §
22 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § 8-217(E), § 8-508, or § 12-202 of this
23 article.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 July 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.