

CHAPTER 706

(House Bill 1037)

AN ACT concerning

Prince George's County – Alcoholic Beverages Licenses – Successor Corporations

PG 301-09

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

BY adding to

Article 2B – Alcoholic Beverages
Section 8-217(e)
Annotated Code of Maryland
(2005 Replacement Volume and 2008 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages
Section 9-102(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2008 Supplement)

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

Article 2B – Alcoholic Beverages

8-217.

(E) (1) IN PRINCE GEORGE'S COUNTY, IF TWO CORPORATIONS WITH DIRECT OR INDIRECT INTERESTS IN ALCOHOLIC BEVERAGES LICENSES FOR USE BY RESTAURANTS UNDERGO A MERGER, CONSOLIDATION, OR SHARE EXCHANGE THAT RESULTS IN A SINGLE SUCCESSOR CORPORATION DURING THE TIME

PERIOD BEGINNING ON SEPTEMBER 1, 2007 AND ENDING ON JUNE 1, 2008, THE TOTAL NUMBER OF ALCOHOLIC BEVERAGES LICENSES THAT THE SUCCESSOR CORPORATION MAY HOLD IS THE GREATER OF:

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

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

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

(I) A COMMON PARENT COMPANY;

(II) A FRANCHISE AGREEMENT;

(III) A LICENSING AGREEMENT;

(IV) A CONCESSION AGREEMENT;

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

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

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

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

9-102.

(a) No more than one license provided by this article, except by way of renewal or as otherwise provided in this section, shall be issued in any county or

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

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

Approved by the Governor, May 19, 2009.