

SENATE BILL 131

A2

3lr0327
CF 3lr1861

By: **Senators Glassman, Jacobs, and Jennings**

Introduced and read first time: January 16, 2013

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County Liquor Control Board – Reserve Account**

3 FOR the purpose of establishing a Reserve Account of the Harford County Liquor
4 Control Board as a special, nonlapsing account; specifying the purpose of the
5 Reserve Account; requiring a designee of the Board to administer the Reserve
6 Account; requiring the Board to hold the Reserve Account separately and
7 account for the Reserve Account; specifying the contents of the Reserve Account;
8 specifying a certain maximum amount that is payable annually into the
9 Reserve Account; specifying the circumstances under which expenditures from
10 the Reserve Account may occur; stating a certain maximum amount that the
11 Reserve Account may hold at any time; requiring that fines imposed or
12 recognizances forfeited for certain violations be payable to the Board; defining
13 certain terms; making certain stylistic changes; clarifying language; and
14 generally relating to the Reserve Account of the Harford County Liquor Control
15 Board.

16 BY repealing and reenacting, with amendments,
17 Article 2B – Alcoholic Beverages
18 Section 10–204(n) and 16–502(a)
19 Annotated Code of Maryland
20 (2011 Replacement Volume and 2012 Supplement)

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

23 **Article 2B – Alcoholic Beverages**

24 10–204.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (n) **(1) (I) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
2 **MEANINGS INDICATED.**

3 **(II) “BOARD” MEANS THE HARFORD COUNTY LIQUOR**
4 **CONTROL BOARD.**

5 **(III) “RESERVE ACCOUNT” MEANS THE RESERVE ACCOUNT**
6 **OF THE HARFORD COUNTY LIQUOR CONTROL BOARD.**

7 **[(1)] (2)** The provisions of this subsection apply only in Harford
8 County.

9 **[(2)] (3)** **[The] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
10 **SUBSECTION, THE** net proceeds of all funds received by the Board from the sale of
11 licenses under the provisions of this article, outside of the corporate limits of the
12 municipalities of Aberdeen, Bel Air and Havre de Grace, shall be paid to the Treasurer
13 and credited to the general funds of the county.

14 **(4) (I) THERE IS A RESERVE ACCOUNT OF THE BOARD.**

15 **(II) THE PURPOSE OF THE RESERVE ACCOUNT IS TO**
16 **ENSURE THAT ISSUANCE AND RENEWAL OF LICENSES, LICENSING**
17 **ENFORCEMENT, AND OTHER SERVICES THAT THE BOARD PROVIDES WILL**
18 **CONTINUE TO BE MET IN THE FACE OF UNANTICIPATED FINANCIAL EVENTS OR**
19 **CIRCUMSTANCES.**

20 **(III) A DESIGNEE OF THE BOARD SHALL ADMINISTER THE**
21 **RESERVE ACCOUNT.**

22 **(IV) THE RESERVE ACCOUNT IS A SPECIAL, NONLAPSING**
23 **ACCOUNT.**

24 **(V) THE BOARD SHALL HOLD THE RESERVE ACCOUNT**
25 **SEPARATELY AND ACCOUNT FOR THE RESERVE ACCOUNT.**

26 **(VI) THE RESERVE ACCOUNT CONSISTS OF:**

27 1. **MONEY DISTRIBUTED TO THE BOARD FROM**
28 **LICENSE FEES;**

29 2. **FINES IMPOSED FOR A VIOLATION OF THIS**
30 **ARTICLE IN HARFORD COUNTY UNDER § 16-502(A)(3) OF THIS ARTICLE;**

1 **3. EXCEPT FOR BONDS FORFEITED UNDER**
2 **§ 14-101(C) OF THIS ARTICLE, RECOGNIZANCES FORFEITED FOR A VIOLATION**
3 **OF THIS ARTICLE IN HARFORD COUNTY UNDER § 16-502(A)(3) OF THIS**
4 **ARTICLE;**

5 **4. INTEREST OR OTHER INCOME EARNED FROM THE**
6 **INVESTMENT OF ANY PORTION OF THE RESERVE ACCOUNT; AND**

7 **5. ANY OTHER MONEY FROM ANY OTHER SOURCE**
8 **ACCEPTED FOR THE BENEFIT OF THE RESERVE ACCOUNT.**

9 **(VII) EACH YEAR, THE AMOUNT PAYABLE INTO THE RESERVE**
10 **ACCOUNT MAY NOT BE MORE THAN 20% OF THE AGGREGATE NET PROCEEDS**
11 **RECEIVED BY THE BOARD.**

12 **(VIII) EXPENDITURES FROM THE RESERVE ACCOUNT MAY**
13 **OCCUR IF THE BOARD DETERMINES THAT APPROPRIATIONS FOR THE CURRENT**
14 **YEAR EXCEED EXPECTED REVENUES.**

15 **(IX) THE RESERVE ACCOUNT MAY NOT EXCEED \$100,000 AT**
16 **ANY TIME.**

17 **[(3)] (5)** The net proceeds of the funds derived from the sale of
18 licenses within the corporate limits of the municipalities of Aberdeen, Bel Air and
19 Havre de Grace, after the deduction of a proportionate part of the expenses incident to
20 the proper administration and enforcement of this article, shall be paid by the Board
21 to the treasurers of the respective towns, to be applied to the payment of the interest
22 and the redemption of the principal of any bonded indebtedness.

23 **[(4)] (6)** All expenses incident to the proper administration and
24 enforcement of this article, including the salaries of the members of the Board, and the
25 proper proportion of the salaries of any employees of the Board, whose duties include
26 the handling of licenses, including the salaries of officers, inspectors, etc., shall be
27 deducted proportionately from the shares of the license fees payable as set forth in this
28 subsection, to the general funds of the county and the governing bodies of the three
29 municipalities.

30 **[(5)] (7)** (i) Prior to the beginning of each fiscal year, the Board
31 shall submit an annual budget to the County Council and County Executive for
32 review.

33 (ii) Except as provided under § 15-205(i)(3) of this article, the
34 budget is not subject to approval by the County Council or County Executive.

1 (iii) The expenditure of license fees collected by the Board for the
2 administration and enforcement of county liquor laws is a matter entirely within the
3 sound discretion of the Board and the provisions of this subsection.

4 16-502.

5 (a) All fines imposed or recognizances forfeited for any violation of any
6 provision of this article shall be payable to:

7 **(1) EXCEPT FOR HARFORD COUNTY,** the county in which the
8 offense was committed[, or to];

9 **(2) Baltimore City,** if the offense was committed in [said city]
10 **BALTIMORE CITY; OR**

11 **(3) THE HARFORD COUNTY LIQUOR CONTROL BOARD, IF THE**
12 **OFFENSE WAS COMMITTED IN HARFORD COUNTY.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2013.