

# HOUSE BILL 960

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4r2827  
CF 4r3198

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By: **Montgomery County Delegation**

Introduced and read first time: February 6, 2014

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Alcoholic Beverages – Residency Requirement**  
3 **Exemption**

4 **MC 22-14**

5 FOR the purpose of exempting Montgomery County from certain provisions of law  
6 requiring that a partner in a partnership for which an application for an  
7 alcoholic beverages license is made or an applicant for an alcoholic beverages  
8 license be a resident in the County for a certain number of years before the  
9 application is filed; and generally relating to alcoholic beverages licenses in  
10 Montgomery County.

11 BY repealing and reenacting, with amendments,  
12 Article 2B – Alcoholic Beverages  
13 Section 9-101(a) and 10-103(b)(4)  
14 Annotated Code of Maryland  
15 (2011 Replacement Volume and 2013 Supplement)

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

18 **Article 2B – Alcoholic Beverages**

19 9-101.

20 (a) A license may not be issued to a partnership, to a corporation, or to a  
21 limited liability company, but only to individuals authorized to act for a partnership,  
22 corporation, or limited liability company who shall assume all responsibilities as  
23 individuals, and be subject to all of the penalties, conditions and restrictions imposed  
24 upon licensees under the provisions of the Tax – General Article that relate to the  
25 alcoholic beverage tax and the provisions of this article. If the application is made for a

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 partnership, the license shall be applied for and be issued to all the partners as  
2 individuals, [all of whom] **AND, EXCEPT IN MONTGOMERY COUNTY, ALL THE**  
3 **PARTNERS** shall have resided in the city or county in which the place of business is  
4 located for at least 2 years prior to the application.

5 (1) (i) In Montgomery County, if the application is made for a  
6 partnership, the license shall be applied for and issued to at least 2 general partners  
7 as individuals, at least one of whom is a registered voter of the county where the  
8 application is made and resides there at the time of the application. If there is only one  
9 general partner, the license shall be issued to that partner as an individual, if that  
10 partner is a registered voter of the county where the application is made and resides  
11 there at the time of application.

12 (ii) 1. In Baltimore County, if the application is made for a  
13 partnership, the license shall be applied for and issued to at least two general partners  
14 as individuals, at least one of whom is a registered voter of any county of the State or  
15 of the City of Baltimore and resides there at the time of application.

16 2. If there is only one general partner, the Board of  
17 License Commissioners shall issue the license to that partner as an individual, if the  
18 partner is a registered voter of any county or of the City of Baltimore and resides there  
19 at the time of the application.

20 3. The provisions of this subparagraph may not be  
21 construed to waive any of the requirements under §§ 9–102, 9–102.2, and 9–301 of this  
22 article.

23 (2) In Harford County, the applicant shall be a bona fide resident of  
24 Harford County for at least 1 year before filing the application and shall remain a  
25 resident as long as the license is in effect. The applicant is not required to be a  
26 registered voter.

27 (3) In Prince George's County, if an application is made for a sole  
28 proprietorship or partnership, the license shall be applied for and issued to all  
29 partners as individuals, all of whom shall have resided in Prince George's County for  
30 at least 2 years prior to the application, are registered voters in Prince George's  
31 County, and shall continue to be bona fide residents of Prince George's County as long  
32 as the license is in effect.

33 (4) (i) 1. In Frederick County, if an alcoholic beverages license  
34 application is made for a partnership, the license shall be applied for and issued to 3  
35 individuals.

36 2. None of the 3 individuals need to be partners.  
37 However, all 3 individuals shall be authorized in writing to act for the partnership by  
38 making application for and becoming holders of the license for partnership.

1                   3.     Of the 3 individuals, 1 shall be a registered voter at  
2 the time of application and prior thereto and be a resident of Frederick County for at  
3 least 2 years prior to making application.

4                   4.     The names of all of the partners shall be stated on the  
5 application.

6                   (ii)    If a corporation, partnership, or limited liability company is  
7 a partner of the partnership for which application is being made, the applicants shall  
8 state on the application:

9                   1.     The name of any owner of more than 33 percent of the  
10 stock in the corporate partner;

11                   2.     The name of any owner of more than 33 percent of  
12 ownership interest of the partnership partner; or

13                   3.     The name of any member with more than a 33 percent  
14 interest in the limited liability company partner.

15                   (5)   (i)     This paragraph (5) applies only to licenses issued by the  
16 State Comptroller.

17                   (ii)    If a license application is made for a partnership, the license  
18 shall be issued to three individuals, each of whom shall qualify as follows:

19                   1.     An individual general partner; or

20                   2.     When a general partner is a corporation, an officer of  
21 the corporation as an individual.

22                   (iii)   If less than three general partners or corporate officers exist,  
23 then a license may be issued to all of the general partners or officers qualified under  
24 subparagraph (ii)2 of this paragraph.

25                   (iv)    In each instance under this paragraph, at least one of the  
26 applicants shall be:

27                   1.     A resident of the State for at least 2 years preceding  
28 the filing of the applications; and

29                   2.     A registered voter of the State.

30                   (v)     This paragraph may not be construed to waive any of the  
31 requirements under § 9–102 of this article.

32                   (6)   (i)     This paragraph applies only in Wicomico County.

1 (ii) 1. If a stadium beer and light wine license application is  
2 made for a partnership, the license shall be applied for and issued to three individuals.

3 2. None of the three individuals need be partners.  
4 However, all three individuals shall be authorized in writing to act for the partnership  
5 by making application for and becoming holders of the license for the partnership.

6 3. Of the three individuals, one shall be a registered  
7 voter at the time of application and for 1 year prior to then and be a resident of  
8 Wicomico County for at least 2 years prior to making application.

9 4. The names of all of the partners shall be stated on the  
10 application.

11 (iii) If a corporation, partnership, or limited liability company is  
12 a partner of the partnership for which application is being made, the applicants shall  
13 state on the application:

14 1. The name of any owner of more than 33 percent of the  
15 stock in the corporate partner;

16 2. The name of any owner of more than 33 percent of  
17 ownership interest of the partnership partner; or

18 3. The name of any member with more than 33 percent  
19 interest in the limited liability company partner.

20 10–103.

21 (b) Except as otherwise provided in this subtitle, every new application for a  
22 license shall be made to the Board of License Commissioners on forms prescribed by  
23 the Comptroller and sworn to by the applicant. Every application for a license shall  
24 contain the following:

25 (4) (i) Except as provided in subparagraphs (iii) [and], (v), AND  
26 (VI) of this paragraph, a statement that the applicant has been for two years next  
27 preceding the filing of the application a resident of the county or of the City of  
28 Baltimore in which the applicant proposes to operate under the license applied for.

29 (ii) The Board of License Commissioners of Prince George's  
30 County shall apply the residency requirements as specified in § 9–101 of this article.

31 (iii) In Dorchester County the residency requirement is 1 year.

1                   (iv) In Carroll County, in addition to the applicant's residential  
2 statement required under this section, the license shall remain valid only for as long  
3 as the resident applicant remains a resident of the county.

4                   (v) In Baltimore County, a statement that the applicant has  
5 been for 2 years next preceding the filing of the application a resident of the State is  
6 required.

7                   **(VI) THIS PARAGRAPH DOES NOT APPLY IN MONTGOMERY**  
8 **COUNTY.**

9                   [(vi)] **(VII)** An applicant for a license issued in the City of  
10 Annapolis may meet the residency requirement by residing anywhere in Anne Arundel  
11 County.

12                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 July 1, 2014.