

SENATE BILL 1086

A2

7lr3590

By: **Senator Conway**

Introduced and read first time: February 16, 2017

Assigned to: Rules

Re-referred to: Education, Health, and Environmental Affairs, February 22, 2017

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2017

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Alcoholic Beverages – Residency and Registered Voter**
3 **Requirements**

4 FOR the purpose of exempting certain individuals who apply for alcoholic beverages
5 licenses for the use of a partnership, corporation, club, or limited liability company
6 in Baltimore City from certain residency and registered voter requirements;
7 establishing certain requirements for the issuance of an alcoholic beverages license
8 to a partnership, corporation, or club in Baltimore City; and generally relating to
9 applications for alcoholic beverages licenses in Baltimore City.

10 BY repealing and reenacting, without amendments,
11 Article – Alcoholic Beverages
12 Section 12–102
13 Annotated Code of Maryland
14 (2016 Volume and 2016 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Alcoholic Beverages
17 Section 12–1401
18 Annotated Code of Maryland
19 (2016 Volume and 2016 Supplement)

20 BY repealing
21 Article – Alcoholic Beverages

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 12–1402
 2 Annotated Code of Maryland
 3 (2016 Volume and 2016 Supplement)

4 BY adding to
 5 Article – Alcoholic Beverages
 6 Section 12–1401.1 and 12–1402
 7 Annotated Code of Maryland
 8 (2016 Volume and 2016 Supplement)

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

11 **Article – Alcoholic Beverages**

12 12–102.

13 This title applies only in Baltimore City.

14 12–1401.

15 (a) The following sections of Title 4, Subtitle 1 (“Applications for Local Licenses”)
 16 of Division I of this article apply in the City without exception or variation:

17 (1) § 4–102 (“Applications to be filed with local licensing board”);

18 [(2) § 4–103 (“Application on behalf of partnership”);

19 (3) § 4–104 (“Application on behalf of corporation or club”);]

20 [(4) (2) § 4–106 (“Payment of notice expenses”);

21 [(5) (3) § 4–108 (“Application form required by Comptroller”);

22 [(6) (4) § 4–111 (“Payment of license fees”);

23 [(7) (5) § 4–112 (“Disposition of license fees”);

24 [(8) (6) § 4–113 (“Refund of license fees”); and

25 [(9) (7) § 4–114 (“Fees for licenses issued for less than 1 year”).

26 (b) ~~Section~~ **THE FOLLOWING SECTIONS OF TITLE 4, SUBTITLE 1**
 27 **(“APPLICATIONS FOR LOCAL LICENSES”) OF DIVISION I OF THIS ARTICLE DO NOT**
 28 **APPLY IN THE CITY:**

1 **(1) § 4-103 (“APPLICATION ON BEHALF OF PARTNERSHIP”), WHICH**
 2 **IS SUPERSEDED BY § 12-1401.1 OF THIS SUBTITLE;**

3 **(2) § 4-104 (“APPLICATION ON BEHALF OF CORPORATION OR CLUB”),**
 4 **WHICH IS SUPERSEDED BY §§ 12-1401.1 AND 12-1402 OF THIS SUBTITLE; AND**

5 **(3) § 4-110 (“Required information on application — Petition of support”)**
 6 ~~of Division I of this article does not apply in the City and, WHICH~~ is superseded by §
 7 12-1405 of this subtitle.

8 (c) The following sections of Title 4, Subtitle 1 (“Applications for Local Licenses”)
 9 of Division I of this article apply in the City:

10 ~~**(1) § 4-103 (“APPLICATION ON BEHALF OF PARTNERSHIP”), SUBJECT**~~
 11 ~~**TO § 12-1401.1 OF THIS SUBTITLE;**~~

12 ~~**(2) § 4-104 (“APPLICATION ON BEHALF OF CORPORATION OR CLUB”),**~~
 13 ~~**SUBJECT TO §§ 12-1401.1 AND 12-1402 OF THIS SUBTITLE;**~~

14 ~~**(1)**~~ ~~**(3)**~~ § 4-105 (“Application on behalf of limited liability company”),
 15 subject to [~~§ 12-1402~~] **§§ 12-1401.1 AND 12-1402** of this subtitle;

16 ~~**(2)**~~ ~~**(4)**~~ § 4-107 (“Criminal history records check”), subject to § 12-1403
 17 of this subtitle; and

18 ~~**(3)**~~ ~~**(5)**~~ § 4-109 (“Required information on application — In general”),
 19 subject to § 12-1404 of this subtitle.

20 **12-1401.1.**

21 ~~**A RESIDENCY REQUIREMENT DOES NOT APPLY TO AN INDIVIDUAL WHO**~~
 22 ~~**APPLIES FOR A LICENSE FOR THE USE OF A PARTNERSHIP, CORPORATION, CLUB, OR**~~
 23 ~~**LIMITED LIABILITY COMPANY.**~~

24 **(A) AN APPLICATION FOR A LICENSE FOR THE USE OF A PARTNERSHIP**
 25 **SHALL BE MADE BY AND THE LICENSE ISSUED TO ALL PARTNERS AS INDIVIDUALS.**

26 **(B) EACH OF THE PARTNERS MUST HAVE RESIDED IN THE STATE FOR AT**
 27 **LEAST 2 YEARS BEFORE THE APPLICATION IS FILED.**

28 **(C) THE APPLICATION FOR A LICENSE SHALL STATE THE NAME AND**
 29 **ADDRESS OF THE PARTNERSHIP AND THE NAME AND ADDRESS OF EACH APPLICANT.**

30 **(D) (1) THIS SUBSECTION APPLIES TO:**

1 **(I) A CORPORATION; AND**

2 **(II) A CLUB, WHETHER INCORPORATED OR UNINCORPORATED.**

3 **(2) EXCEPT AS PROVIDED IN PARAGRAPHS (4) AND (5) OF THIS**
4 **SUBSECTION, A LICENSE ON BEHALF OF A CORPORATION OR CLUB SHALL BE**
5 **APPLIED FOR AND ISSUED TO THREE OFFICERS OF THE CORPORATION OR CLUB AS**
6 **INDIVIDUALS.**

7 **(3) AT LEAST ONE OF THE THREE OFFICERS MUST HAVE RESIDED IN**
8 **THE STATE FOR AT LEAST 2 YEARS BEFORE THE APPLICATION IS FILED.**

9 **(4) IF A CORPORATION HAS FEWER THAN THREE OFFICERS OR**
10 **DIRECTORS, ALL OFFICERS OR DIRECTORS SHALL APPLY FOR A LICENSE.**

11 **(5) IN A CLOSE CORPORATION, AT LEAST ONE INDIVIDUAL**
12 **STOCKHOLDER MAY APPLY FOR A LICENSE IF:**

13 **(I) THE CLOSE CORPORATION DOES NOT HAVE OFFICERS OR**
14 **DIRECTORS; AND**

15 **(II) THERE IS AN AFFIRMATIVE VOTE OF A MAJORITY OF THE**
16 **STOCKHOLDERS.**

17 **(6) AN APPLICATION FOR A CORPORATION OR A CLUB LICENSE SHALL**
18 **INCLUDE:**

19 **(I) THE NAME AND ADDRESS OF EACH OFFICER;**

20 **(II) THE NAME AND ADDRESS OF THE CORPORATION OR CLUB;**
21 **AND**

22 **(III) THE SIGNATURES OF THE PRESIDENT OR VICE PRESIDENT**
23 **OF THE CORPORATION OR CLUB AND OF THE THREE OFFICERS TO WHOM THE**
24 **LICENSE SHALL BE ISSUED.**

25 [12-1402.

26 An authorized person of a limited liability company who holds a license for the use
27 of the limited liability company that was granted on or before June 1, 2012, need not be a
28 registered voter in the City.]

29 **12-1402.**

1 **A REQUIREMENT THAT AN APPLICANT FOR A LICENSE BE A REGISTERED**
2 **VOTER DOES NOT APPLY TO AN INDIVIDUAL WHO APPLIES FOR A LICENSE FOR THE**
3 **USE OF A CORPORATION, CLUB, OR LIMITED LIABILITY COMPANY.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
5 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.