

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 395

(Senator Conway, *et al.*)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - Alcoholic Beverages License - Residency and Registered Voter Requirements

This bill exempts an individual applying for an alcoholic beverages license in Baltimore City for the use of a partnership, a corporation, club, or limited liability company from local residency requirements; however, applicants must meet State residency requirements, as specified. The bill also exempts an individual applying for an alcoholic beverages license in Baltimore City for the use of a corporation, club, or limited liability company from all voter registration requirements. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: None.

Local Effect: None. The change is procedural in nature and does not directly affect Baltimore City finances.

Small Business Effect: None.

Analysis

Bill Summary: Under the bill, each of the partners in a partnership applying for an alcoholic beverages license in Baltimore City must have resided in the State for at least two years before the application is filed. In the case of a corporation, limited liability company (LLC), or club, at least one of the three officers or authorized individuals applying for a license on behalf of a corporation, LLC, or club must have resided in the State for at least two years prior to filing an application. If the corporation has fewer than three officers or directors, *all* officers or directors must apply for a license. In the case of

a close corporation, at least one individual stockholder may apply for a license if (1) the close corporation does not have officers or directors and (2) there is an affirmative vote of a majority of the stockholders.

Current Law:

Partnerships: Generally, an application for an alcoholic beverages license for the use of a partnership must be made by, and the license issued to, all of the partners as individuals. Each of the partners must have resided in the county or city where the licensed business is located for at least two years before the application is filed.

Corporation/Club: An application for an alcoholic beverages license on behalf of a corporation or club must be applied for and issued to at least three officers of the corporation or club as individuals. At least one of the three officers must have been a resident of the jurisdiction or municipality for at least two years before the application is filed and be a registered voter and taxpayer of the jurisdiction or municipality when the application is filed.

Limited Liability Company: Generally, at least one of the authorized individuals applying for an alcoholic beverage license must (1) have been a resident of the jurisdiction or municipality for at least two years before the application is filed and (2) be a registered voter and taxpayer of the jurisdiction or municipality when the application is filed. In Baltimore City, an authorized person of a limited liability company who holds a license for the use of the limited liability company that was granted on or before June 1, 2012, is not required to be a registered voter in the city.

Additional Information

Prior Introductions: SB 1086 of 2017, as amended, passed the Senate and the House with additional amendments, but no further action was taken.

Cross File: HB 448 (Baltimore City Delegation) - Economic Matters.

Information Source(s): Baltimore City; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2018
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