

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 384

(Harford County Senators)

Education, Health, and Environmental Affairs

Economic Matters

Harford County - Alcoholic Beverages - License Holders - Requirements

This bill alters the application requirements, including repealing residency requirements, for specified alcoholic beverages licenses in Harford County. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: The bill is not anticipated to materially affect Harford County operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill defines an “operator” as an individual who is responsible for the day-to-day operation of a licensed establishment and physically present on the premises for a substantial amount of time on a daily basis.

A license for the use of a corporation, an unincorporated entity, or a limited liability company must be applied for by and issued to, as individuals (1) two officers holding a financial interest in the corporation, or two authorized persons holding a financial interest in the limited liability company and (2) an operator. The bill repeals the requirement that one of the three individual applicants for an alcoholic beverages license must be a resident of the county.

The bill requires that an application for a license must include the name and address of the operator, as well as the name and address of a corporation, an unincorporated entity, a limited liability company, or a person who holds a financial interest in any of these entities, as specified.

The license application must be signed by (1) the operator and (2) the president or vice president of a corporation or an unincorporated entity and the two officers to whom the license is issued or the two authorized persons of a limited liability company to whom the license is issued.

The bill also repeals the residency requirement and applicability of stock ownership provisions for a Class B hotel or restaurant beer, wine, and liquor license (BWL) or a Class BNR BWL license, as specified.

Current Law: An “owner” is a person who has a real, provable financial interest in the business, including a stockholder or managerial employee of the actual owner.

A license for the use of a corporation, an unincorporated entity, or a limited liability company must be applied for by and issued to, as individuals (1) three officers holding a financial interest in the corporation or (2) three authorized persons holding a financial interest in the limited liability company. One of the applicants must be a resident of Harford County and the license will be in effect as long as the resident applicant remains a resident of the county.

Background: In fiscal 2019, there were 201 alcoholic beverages licenses issued in Harford County.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Harford County; Comptroller’s Office; Department of Legislative Services

Fiscal Note History: First Reader - February 26, 2020
mr/tso Third Reader - March 13, 2020

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510