

# SENATE BILL 677

A2

11r2613  
CF HB 883

---

By: **Senator Edwards**

Introduced and read first time: February 3, 2021

Assigned to: Education, Health, and Environmental Affairs

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Allegany County – Alcoholic Beverages – Transfer and Auction of Licenses**

3 FOR the purpose of providing for the transfer of certain expired alcoholic beverages licenses  
4 by the Board of License Commissioners for Allegany County to the County  
5 Commissioners of Allegany County; requiring the Board to issue a certain number  
6 of new Class D licenses each year to the County Commissioners for certain purposes;  
7 authorizing the Board to determine which types of new Class D licenses are issued  
8 to the County Commissioners; providing that certain licenses are not subject to  
9 certain limitations; requiring the County Commissioners to conduct a public auction  
10 each year of certain alcoholic beverages licenses in a certain manner; providing for  
11 the disposition of the proceeds of certain auctions; providing that certain licenses  
12 transferred or issued to the County Commissioners are to be held solely for the  
13 purposes of public auction and not to be exercised by the County Commissioners; and  
14 generally relating to alcoholic beverages licenses in Allegany County.

15 BY repealing and reenacting, without amendments,

16 Article – Alcoholic Beverages  
17 Section 9–101(a) and (b) and 9–102  
18 Annotated Code of Maryland  
19 (2016 Volume and 2020 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Alcoholic Beverages  
22 Section 9–1602  
23 Annotated Code of Maryland  
24 (2016 Volume and 2020 Supplement)

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

27 **Article – Alcoholic Beverages**

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 9–101.

2 (a) In this title:

3 (1) except as provided in subsection (c) of this section, the definitions in §  
4 1–101 of this article apply without exception or variation; and

5 (2) the following words have the meanings indicated.

6 (b) “Board” means the Board of License Commissioners for Allegany County.

7 9–102.

8 This title applies only in Allegany County.

9 9–1602.

10 (a) Subject to subsection (b) of this section **AND EXCEPT AS PROVIDED IN**  
11 **SUBSECTION (C) OF THIS SECTION**, the Board may not issue:

12 (1) Class A and Class D beer, wine, and liquor licenses so that the number  
13 of licenses issued in each of these classes exceeds one for every 1,300 residents in the  
14 county, as determined by the latest federal census; and

15 (2) Class A and Class D beer licenses or Class A and Class D beer and light  
16 wine licenses so that the aggregate number in these classes exceeds one for every 1,300  
17 residents in the county, as determined by the latest federal census.

18 (b) (1) The Board may approve the transfer of a license.

19 (2) **IN THE CASE OF A LICENSE THAT HAS EXPIRED, THE BOARD**  
20 **SHALL TRANSFER THE EXPIRED LICENSE TO THE COUNTY COMMISSIONERS TO BE**  
21 **AUCTIONED IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION.**

22 (c) (1) **THE BOARD SHALL ISSUE EACH YEAR TWO NEW CLASS D**  
23 **LICENSES TO THE COUNTY COMMISSIONERS TO BE AUCTIONED TO THE PUBLIC IN**  
24 **ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION.**

25 (2) **THE BOARD MAY DECIDE WHICH CATEGORIES OF NEW CLASS D**  
26 **LICENSES ARE TO BE ISSUED IN A SINGLE YEAR.**

27 (3) **THE LICENSES ISSUED UNDER THIS SUBSECTION ARE NOT**  
28 **SUBJECT TO THE LIMITATIONS IN SUBSECTION (A) OF THIS SECTION.**

1           **(D) (1) THE COUNTY COMMISSIONERS SHALL CONDUCT A PUBLIC**  
2 **AUCTION EACH YEAR OF THE LICENSES THAT ARE TRANSFERRED UNDER**  
3 **SUBSECTION (B)(2) OF THIS SECTION OR ISSUED UNDER SUBSECTION (C) OF THIS**  
4 **SECTION.**

5           **(2) THE AUCTION SHALL BE A PUBLIC AUCTION CONDUCTED BY**  
6 **SILENT BID ON A DATE AND ON TERMS THAT THE COUNTY COMMISSIONERS**  
7 **DETERMINE.**

8           **(3) (I) THE ANNUAL LICENSE FEE SHALL BE PAID TO THE BOARD**  
9 **OUT OF THE PROCEEDS OF THE PUBLIC AUCTION.**

10           **(II) ANY AUCTION PROCEEDS COLLECTED IN EXCESS OF ANY**  
11 **LICENSE FEES PAID UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE**  
12 **RETAINED BY THE COUNTY COMMISSIONERS.**

13           **(4) LICENSES TRANSFERRED OR ISSUED TO THE COUNTY**  
14 **COMMISSIONERS UNDER SUBSECTION (B)(2) OR (C) OF THIS SECTION ARE:**

15           **(I) TO BE HELD BY THE COUNTY COMMISSIONERS SOLELY FOR**  
16 **THE PURPOSES OF PUBLIC AUCTION; AND**

17           **(II) NOT TO BE EXERCISED BY THE COUNTY COMMISSIONERS.**

18           **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July**  
19 **1, 2021.**