

HOUSE BILL 1212

A2

2lr1418

By: **Howard County Delegation**

Introduced and read first time: February 11, 2022

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Howard County – Alcoholic Beverages Licenses – Residency Requirements**

3 **Ho. Co. 16–22**

4 FOR the purpose of providing that a resident of the State meets certain residency
5 requirements for an applicant for an alcoholic beverages license in Howard County;
6 and generally relating to residency requirements for alcoholic beverages licenses in
7 Howard County.

8 BY repealing and reenacting, without amendments,

9 Article – Alcoholic Beverages

10 Section 23–102

11 Annotated Code of Maryland

12 (2016 Volume and 2021 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – Alcoholic Beverages

15 Section 23–1401, 23–1404, 23–1406, and 23–1407(a)

16 Annotated Code of Maryland

17 (2016 Volume and 2021 Supplement)

18 BY adding to

19 Article – Alcoholic Beverages

20 Section 23–1403.1

21 Annotated Code of Maryland

22 (2016 Volume and 2021 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

24 That the Laws of Maryland read as follows:

25 **Article – Alcoholic Beverages**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 23-102.

2 This title applies only in Howard County.

3 23-1401.

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

6 (1) § 4-102 (“Applications to be filed with local licensing board”);

7 [(2) § 4-103 (“Application on behalf of partnership”);

8 (3)] § 4-106 (“Payment of notice expenses”);

9 [(4) (3) § 4-108 (“Application form required by Comptroller”);

10 [(5) (4) § 4-111 (“Payment of license fees”);

11 [(6) (5) § 4-112 (“Disposition of license fees”);

12 [(7) (6) § 4-113 (“Refund of license fees”); and

13 [(8) (7) § 4-114 (“Fees for licenses issued for less than 1 year”).

14 (b) Section 4-110 (“Required information on application — Petition for support”)
15 of Division I of this article does not apply in the county and is superseded by § 23-1406 of
16 this subtitle.

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

19 (1) **§ 4-103 (“APPLICATION ON BEHALF OF PARTNERSHIP”), SUBJECT**
20 **TO § 23-1403.1 OF THIS SUBTITLE;**

21 (2) § 4-104 (“Application on behalf of corporation or club”), subject to §
22 23-1404 of this subtitle;

23 [(2) (3) § 4-105 (“Application on behalf of limited liability company”),
24 subject to § 23-1404 of this subtitle;

25 [(3) (4) § 4-107 (“Criminal history records check”), subject to §§ 23-1402,
26 23-1403, and 23-1408 of this subtitle; and

1 ~~[(4)] (5)~~ § 4-109 (“Required information on application — In general”),
2 subject to ~~[§ 23-1407] §§ 23-1403.1, 23-1404, AND 23-1407~~ of this subtitle.

3 **23-1403.1.**

4 **AN INDIVIDUAL WHO IS A RESIDENT OF THE STATE MEETS THE RESIDENCY**
5 **REQUIREMENTS UNDER § 4-103 OF THIS ARTICLE.**

6 23-1404.

7 (a) Except as provided in subsections (c) and (d) of this section, at least one of the
8 applicants for a new license for a corporation or limited liability company shall certify that
9 as long as the applicant is the holder of the license, the applicant shall:

10 (1) own at least 10% of the stock in the corporation or interest in the limited
11 liability company; or

12 (2) (i) serve as the manager or supervisor of the corporation or limited
13 liability company; and

14 (ii) be physically present on a full-time basis at the licensed
15 premises of the corporation or limited liability company to conduct the daily business
16 involving transactions concerning alcoholic beverages sales.

17 (b) Except as provided in subsection (c) of this section, applicants for a license for
18 a corporation or limited liability company shall submit:

19 (1) an executed copy of the articles of incorporation or articles of
20 organization; and

21 (2) a schedule that states:

22 (i) the name, address, and percentage of stock held by each
23 stockholder holding at least 5% of the stock of a corporation; or

24 (ii) the name, address, and percentage of interest held by each
25 member holding at least 5% interest in a limited liability company.

26 (c) (1) (i) The stock or interest requirements established under subsection
27 (a) of this section do not apply to a corporation or limited liability company in which:

28 1. the stock of the corporation or interest in the limited
29 liability company is authorized for sale by the United States Securities and Exchange
30 Commission; or

1 2. a majority of the stock of the corporation or interest in the
2 limited liability company is owned or controlled directly or indirectly by one or more
3 corporations or limited liability companies whose stock or interest is authorized for sale by
4 the United States Securities and Exchange Commission.

5 (ii) A corporation or limited liability company provided for in
6 subparagraph (i) of this paragraph shall maintain one applicant as a manager or supervisor
7 physically present on a full-time basis at the licensed premises to conduct the daily
8 business involving transactions concerning alcoholic beverages sales.

9 (2) The schedule requirement established under subsection (b) of this
10 section does not apply to:

11 (i) a corporation whose stock is authorized for sale by the United
12 States Securities and Exchange Commission; or

13 (ii) a limited liability company whose interest is authorized for sale
14 by the United States Securities and Exchange Commission.

15 (d) (1) The requirements under subsection (a) of this section do not apply to an
16 application for or renewal of a Class C (continuing care retirement community) beer, wine,
17 and liquor license by a nonprofit organization if the manager or supervisor of the continuing
18 care retirement community:

19 (i) is identified on the application;

20 (ii) receives alcohol awareness training from an approved alcohol
21 awareness training program; and

22 (iii) is physically present at the continuing care retirement
23 community on a full-time basis.

24 (2) A continuing care retirement community license shall be issued to:

25 (i) a manager or supervisor; and

26 (ii) two officers, one of whom shall be a resident of the [county, a
27 registered voter, and a taxpayer of the county] STATE at the time the application is filed.

28 **(E) AN INDIVIDUAL WHO IS A RESIDENT OF THE STATE MEETS THE**
29 **RESIDENCY REQUIREMENTS UNDER §§ 4-104 AND 4-105 OF THIS ARTICLE.**

30 23-1406.

31 (a) At least one of the applicants shall include with the application a petition of
32 support signed by at least three residents who are owners of real property and registered
33 voters in the district where the business is to be conducted stating that the applicant:

1 (1) is known personally to the residents; and

2 (2) subject to subsection (b) of this section, is a resident of the [county]
3 **STATE** at the time the applicant presents the application to the residents.

4 (b) The Board may waive the residency requirement for an applicant if the
5 applicant:

6 (1) is the purchaser of a business already in operation; or

7 (2) has owned the premises for which a license is sought for at least 2 years
8 immediately preceding the filing of the application.

9 23-1407.

10 (a) At least one of the applicants for a license shall be a resident of the [county]
11 **STATE**.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2022.