

# HOUSE BILL 1406

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HB 1366/16 – ECM

2lr3056

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By: **Delegate Gilchrist**  
Introduced and read first time: February 17, 2022  
Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Issuance of Class A Licenses**

3 FOR the purpose of clarifying that, with certain exceptions, more than one license may not  
4 be issued in a single jurisdiction to an individual or for the use of a partnership, a  
5 corporation, an unincorporated association, or a limited liability company; increasing  
6 the number of Class A alcoholic beverages licenses that may be issued in the State  
7 to an individual for a certain use; and generally relating to Class A alcoholic  
8 beverages licenses in the State.

9 BY repealing and reenacting, with amendments,  
10 Article – Alcoholic Beverages  
11 Section 4–203  
12 Annotated Code of Maryland  
13 (2016 Volume and 2021 Supplement)

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

16 **Article – Alcoholic Beverages**

17 4–203.

18 (a) Except as otherwise provided in Division II of this article, Title 3, Title 4, or  
19 Title 5 of this division, or subsection (b) OR (C) of this section, more than one license may  
20 not be issued **IN A SINGLE JURISDICTION:**

21 (1) to an individual; or

22 (2) for the use of a partnership, a corporation, an unincorporated  
23 association, or a limited liability company.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1           (b)   **(1)**   **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**  
2 **AN INDIVIDUAL MAY NOT BE ISSUED IN THE STATE MORE THAN TWO CLASS A**  
3 **LICENSES FOR THE USE OF:**

4                           **(I)**   **THAT INDIVIDUAL; OR**

5                           **(II)**   **A PARTNERSHIP, A CORPORATION, AN UNINCORPORATED**  
6 **ASSOCIATION, OR A LIMITED LIABILITY COMPANY.**

7           **(2)**   **NOT MORE THAN ONE CLASS A LICENSE MAY BE ISSUED UNDER**  
8 **PARAGRAPH (1) OF THIS SUBSECTION FOR AN ESTABLISHMENT THAT DERIVES LESS**  
9 **THAN 85% OF REVENUE FROM THE SALE OF ALCOHOLIC BEVERAGES.**

10           **(C)**   **(1)**    A single individual may hold Class B beer, wine, and liquor licenses or  
11 Class BLX or equivalent licenses issued by different local licensing boards only for  
12 restaurants, hotels, or motels.

13                           **(2)**    The number of licenses that a single individual may hold is limited only  
14 by the cap imposed by each local licensing board on the licenses that the local licensing  
15 board issues.

16                           **(3)**    The licenses may be issued for the use of:

17   **(i)**    the license holder; or

18   **(ii)**   a partnership, a corporation, an unincorporated association, or a  
19 limited liability company.

20           **[(c)] (D)**    Except as otherwise provided in Division II of this article or Title 3,  
21 Title 4, or Title 5 of this division, an individual may not be issued in the State more than  
22 one **[Class A,] Class C[,]** or Class D license for the use of:

23   **(1)**    that individual; or

24   **(2)**    a partnership, a corporation, an unincorporated association, or a  
25 limited liability company.

26           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
27 1, 2022.