

# HOUSE BILL 158

A2  
HB 1212/22 – ECM

3lr0489

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By: **Howard County Delegation**

Introduced and read first time: January 16, 2023

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: March 10, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

3 **Ho. Co. 11–23**

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 2022 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 2022 Supplement)

18 BY adding to  
19 Article – Alcoholic Beverages  
20 Section 23–1403.1  
21 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(2016 Volume and 2022 Supplement)

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

**Article – Alcoholic Beverages**

23–102.

This title applies only in Howard County.

23–1401.

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

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

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

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

[(4)] (3) § 4–108 (“Application form required by Comptroller”);

[(5)] (4) § 4–111 (“Payment of license fees”);

[(6)] (5) § 4–112 (“Disposition of license fees”);

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

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

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information on application — Petition for support”) of Division I of this article does not apply in the county and is superseded by § 23–1406 of this subtitle.

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

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

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

1            ~~[(2)] (3)~~ § 4-105 (“Application on behalf of limited liability company”),  
2 subject to § 23-1404 of this subtitle;

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

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

7 **23-1403.1.**

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

10 23-1404.

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

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

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

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

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

23            (1) an executed copy of the articles of incorporation or articles of  
24 organization; and

25            (2) a schedule that states:

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

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

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

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

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

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

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

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

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

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

22                          (i)     is identified on the application;

23                          (ii)    receives alcohol awareness training from an approved alcohol  
24 awareness training program; and

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

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

28                          (i)     a manager or supervisor; and

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

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

1 23-1406.

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

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

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

8 (b) The Board may waive the residency requirement for an applicant if the  
9 applicant:

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

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

13 23-1407.

14 (a) At least one of the applicants for a license shall be a resident of the [county]  
15 STATE.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 July 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.