Chapter 405

(House Bill 258)

AN ACT concerning

<u>Caroline and</u> Queen Anne's <u>County</u> <u>Counties</u> – Alcoholic Beverages Licenses – Residency Requirement

FOR the purpose of removing the requirement requiring that a certain applicant for an alcoholic beverages license in Caroline County be a resident of the State rather than a resident of the county; requiring that a certain applicant for an alcoholic beverages license in Queen Anne's County be a resident of Queen Anne's County the State rather than a resident of the county; and generally relating to alcoholic beverages licenses in <u>Caroline and</u> Queen Anne's <u>County</u> counties.

BY repealing and reenacting, without amendments, Article – Alcoholic Beverages Section 4–109(a), <u>15–102</u>, and 27–102 Annotated Code of Maryland (2016 Volume and 2022 Supplement)

BY repealing and reenacting, with amendments, Article – Alcoholic Beverages Section <u>15–1401</u>, 27–1401(c), and 27–1402 Annotated Code of Maryland (2016 Volume and 2022 Supplement)

BY adding to

<u>Article – Alcoholic Beverages</u> <u>Section 15–1407</u> <u>Annotated Code of Maryland</u> (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

4 - 109.

- (a) A license application shall state:
 - (1) the class of license for which the applicant is applying;

(2) the name and address of the applicant and how long the applicant has resided at that address;

(3) that at least one applicant is a citizen of the United States;

(4) that the applicant is a resident of the jurisdiction in which the applicant proposes to operate under the license for which the applicant is applying;

(5) the age and sex of the applicant;

(6) the birth place of the applicant, and if the applicant is a naturalized citizen, the date and place the applicant was naturalized;

(7) a description of the place for which the license is sought, including:

(i) the street and number, if practicable, or other description that definitively locates the place; and

(ii) a description of the portion of the building in which the business will be conducted;

(8) the name of the owner of the location where the business to be licensed is to be conducted;

(9) that the applicant has never been convicted of a felony;

(10) whether the applicant has ever been found guilty of violating a law in the State governing the sale of alcoholic beverages or the prevention of gambling;

(11) that the applicant has a financial interest in the business to be conducted under the license;

(12) that the applicant has not had a license for the sale of alcoholic beverages revoked;

(13) that the applicant or a person on behalf of whom the application is filed does not have a financial interest in any other place of business in the jurisdiction for which an alcoholic beverage license has been applied for or issued;

(14) whether the applicant has been found guilty of violating a State or federal law;

(15) whether the applicant has held a license for the sale of alcoholic beverages and, if so, the name of the state and the location where the license was held;

(16) that during the term of the license, a person other than the applicant will not have a financial interest in the license or in the business to be conducted under the license;

(17) that a manufacturer, brewer, distiller, or wholesaler, directly or indirectly, does not have a financial interest in the premises or business of the applicant;

(18) that after receipt of a license, the applicant will not convey or grant an interest in the location or business to a manufacturer, brewer, distiller, or wholesaler, except as authorized under this article;

(19) that, except for the purchase of alcoholic beverages, when applying for the license, the applicant does not have indebtedness or other financial obligation to a manufacturer, brewer, distiller, or wholesaler;

(20) that after the license is issued, the applicant will not incur, directly or indirectly, indebtedness or other financial obligation other than for the purchase of alcoholic beverages to a manufacturer, brewer, distiller, or wholesaler; and

(21) that, if issued a license, the applicant will conform to all laws and regulations relating to the business in which the applicant proposes to engage.

<u>15–102.</u>

This title applies only in Caroline County.

15-1401.

(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) § 4–104 ("Application on behalf of corporation or club");
- (4) § 4–105 ("Application on behalf of limited liability company");
- (5)] § 4–106 ("Payment of notice expenses");
- [(6)] (3) § 4–108 ("Application form required by Comptroller");
- [(7) § 4–110 ("Required information on application Petition of support");
- (8)] (4) § 4–111 ("Payment of license fees");
- [(9)] (5) § 4–112 ("Disposition of license fees");

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[(10)] (6) § 4–113 ("Refund of license fees"); and

[(11)] (7) § 4–114 ("Fees for licenses issued for less than 1 year").

(B) <u>Section 4–110 ("Required information on application –</u> <u>Petition of support") of Division I of this article does not apply in the</u> <u>COUNTY.</u>

[(b)] (C) <u>The following sections of Title 4, Subtitle 1 ("Applications for Local</u> <u>Licenses") of Division I of this article apply in the county:</u>

(1) § 4–107 ("Criminal history records check"), in addition to §§ 15–1402 through 15–1405 of this subtitle; [and]

(2) § 4–109 ("Required information on application — In general"), in addition to § 15–1406 of this subtitle AND SUBJECT TO § 15–1407 OF THIS SUBTITLE;

(3) § 4–103 ("APPLICATION ON BEHALF OF PARTNERSHIP"), SUBJECT TO § 15–1407 OF THIS SUBTITLE;

(4) § 4–104 ("APPLICATION ON BEHALF OF CORPORATION OR CLUB"), SUBJECT TO § 15–1407 OF THIS SUBTITLE; AND

(5) § 4–105 ("APPLICATION ON BEHALF OF LIMITED LIABILITY COMPANY"), SUBJECT TO § 15–1407 OF THIS SUBTITLE.

<u>15–1407.</u>

(A) <u>AT THE TIME AN APPLICATION FOR AN ALCOHOLIC BEVERAGES</u> <u>LICENSE IS FILED, AT LEAST ONE OF THE APPLICANTS SHALL BE A RESIDENT OF THE</u> <u>STATE.</u>

(B) THE LICENSE REMAINS VALID ONLY FOR AS LONG AS AT LEAST ONE OF THE APPLICANTS REMAINS A RESIDENT OF THE STATE.

27 - 102.

This title applies only in Queen Anne's County.

27 - 1401.

(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 § 27–1402 of this subtitle;

(2) § 4–104 ("Application on behalf of corporation or club"), subject to § 27–1403 of this subtitle;

(3) § 4–105 ("Application on behalf of limited liability company"), subject to § 27–1403 of this subtitle; and

(4) § 4-109 ("Required information on application — In general"), subject to [§ 27-1404] §§ 27-1402 AND 27-1404 of this subtitle.

27 - 1402.

An applicant [on behalf of a partnership may not be issued a Class A beer, wine, and liquor license unless the owners of 75% of the interest in the partnership are residents of the county at the time the application is filed]

(A) <u>At the time an application</u> for an alcoholic beverages license need not be a resident of the county <u>is filed, at least one of the</u> <u>Applicants shall be a resident of the State.</u>

(B) THE LICENSE REMAINS VALID ONLY FOR AS LONG AS AT LEAST ONE OF THE APPLICANTS REMAINS A RESIDENT OF THE STATE.

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

Approved by the Governor, May 3, 2023.