

SENATE BILL 704

A1

5lr2144
CF HB 311

By: **Senator Conway**

Introduced and read first time: February 6, 2015

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Supermarkets – Class B and Class BLX Licenses**

3 FOR the purpose of exempting the issuance of a certain Class B or Class BLX on-sale beer,
4 wine and liquor license for a certain corporation from certain residency
5 requirements; exempting the issuance of a Class B or Class BLX on-sale beer, wine
6 and liquor license on behalf of a certain supermarket or supermarket chain store
7 from a certain prohibition against the issuance of more than one license for the use
8 of a corporation in Baltimore City or any county of the State; exempting the issuance
9 of a Class B or Class BLX on-sale beer, wine and liquor license on behalf of a certain
10 supermarket or supermarket chain store from a certain prohibition against the
11 issuance of a Class B beer, wine and liquor license for use in conjunction with or on
12 the premises of a supermarket or supermarket chain store; and generally relating to
13 the issuance of licenses on behalf of supermarkets.

14 BY repealing and reenacting, without amendments,
15 Article 2B – Alcoholic Beverages
16 Section 9–101(a)(1) and 9–102(a) and (a–1)
17 Annotated Code of Maryland
18 (2011 Replacement Volume and 2014 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article 2B – Alcoholic Beverages
21 Section 9–101(b)
22 Annotated Code of Maryland
23 (2011 Replacement Volume and 2014 Supplement)

24 BY adding to
25 Article 2B – Alcoholic Beverages
26 Section 9–102(b–10)
27 Annotated Code of Maryland
28 (2011 Replacement Volume and 2014 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article 2B – Alcoholic Beverages**

4 9–101.

5 (a) (1) A license may not be issued to a partnership, to a corporation, or to a
6 limited liability company, but only to individuals authorized to act for a partnership,
7 corporation, or limited liability company who shall assume all responsibilities as
8 individuals, and be subject to all of the penalties, conditions and restrictions imposed upon
9 licensees under the provisions of the Tax – General Article that relate to the alcoholic
10 beverage tax and the provisions of this article. If the application is made for a partnership,
11 the license shall be applied for and be issued to all the partners as individuals, all of whom
12 shall have resided in the city or county in which the place of business is located for at least
13 2 years prior to the application.

14 (b) (1) If the application is made for a corporation, or a club, whether
15 incorporated or unincorporated, the license shall be applied for by and be issued to three of
16 the officers of that corporation or club, as individuals, for the use of the corporation or club,
17 at least one of whom shall be a registered voter and taxpayer of the county or city, or State
18 of Maryland when the application is filed with the Comptroller, and shall also have resided
19 therein, at least two years prior to the application.

20 (2) The application shall also set forth the names and addresses of all of
21 the officers of the corporation or club and shall be signed by the president or vice president,
22 as well as by three officers to whom the license shall be issued. The application for every
23 license shall disclose the name and address of the corporation, partnership or association,
24 as well as the name and address of the applicant.

25 (3) For an application for any Class E, Class F or Class G license, the
26 application may be made by any three officers or employees residing in this State, duly
27 authorized by the corporation to apply for the license.

28 (4) The provisions of this subsection with reference to an applicant being a
29 registered voter, taxpayer or resident of the State of Maryland do not apply when three
30 principal officers of a corporation make application for a Class G license.

31 (5) This section:

32 (i) Does not apply to “racetrack licenses” or to “beach and
33 amusement park licenses” issued in Anne Arundel County; [and]

34 (ii) Subject to subsection (a)(3) of this section, applies to a license
35 issued in Harford County; **AND**

1 **(III) DOES NOT APPLY TO A CLASS B OR CLASS BLX ON-SALE**
2 **BEER, WINE AND LIQUOR LICENSE SPECIFIED IN § 9-102(B-10) OF THIS SUBTITLE**
3 **ISSUED FOR A CORPORATION AUTHORIZED TO DO BUSINESS IN THE STATE.**

4 (6) In the case of a corporation where there are less than three officers or
5 directors of the corporation, all officers or directors shall make the application as provided
6 in this section.

7 (7) In the event there are no officers or directors of a close corporation, at
8 least one stockholder may make the application as provided in this section, if there is an
9 affirmative vote of the stockholders holding a majority of the stock.

10 9-102.

11 (a) (1) No more than one license provided by this article, except by way of
12 renewal or as otherwise provided in this section, shall be issued in any county or Baltimore
13 City, to any person, or for the use of any partnership, corporation, unincorporated
14 association, or limited liability company, in Baltimore City or any county of the State.

15 (2) No more than one license shall be issued for the same premises except
16 as provided in §§ 2-201 through 2-208, 2-301, and 6-701 and Title 7.5 of this article.

17 (3) This subsection may not be construed to apply to § 6-201(r)(4), (15),
18 (17), and (18), § 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § 8-217(e), § 8-508, § 8-902, §
19 9-102.1, § 9-217(b-1), or § 12-202 of this article.

20 (a-1) A Class A, B, or D beer license, beer and wine license, or beer, wine and liquor
21 license, except by way of renewal, may not be granted, transferred, or issued to, or for use
22 in conjunction with, or upon the premises of any business establishment of the type
23 commonly known as chain stores, supermarkets, or discount houses. This subsection does
24 not apply to or affect any business establishment already holding such a license or the
25 possibility of such licensee having the license transferred to a similar type of business
26 establishment. Discount houses do not include licensees who sell at discount prices.

27 **(B-10) SUBSECTIONS (A) AND (A-1) OF THIS SECTION DO NOT APPLY TO**
28 **THE ISSUANCE OF A CLASS B OR CLASS BLX ON-SALE BEER, WINE AND LIQUOR**
29 **LICENSE ON BEHALF OF A SUPERMARKET OR SUPERMARKET CHAIN STORE THAT:**

30 **(1) AS DETERMINED BY THE LOCAL LICENSING BOARD, DEVOTES A**
31 **SUBSTANTIAL PORTION OF ITS OPERATION TO PROVIDING HOT AND COLD FOOD**
32 **PREPARED IN THE SUPERMARKET FOR CONSUMPTION IN A DESIGNATED DINING**
33 **AREA WITH SEATING FOR AT LEAST 50 CUSTOMERS;**

34 **(2) IS EQUIPPED WITH A KITCHEN WITH A MINIMUM CAPITAL**
35 **INVESTMENT OF \$500,000 THAT HAS COMPLETE FACILITIES AND UTENSILS FOR**

1 PREPARING HOT AND COLD FOOD FOR THE PUBLIC FOR CONSUMPTION IN THE
2 DESIGNATED DINING AREA;

3 (3) ALLOWS ONLY A BARTENDER OR TABLE SERVER TO SERVE
4 ALCOHOLIC BEVERAGES; AND

5 (4) LIMITS THE SALE AND CONSUMPTION OF ALCOHOLIC BEVERAGES
6 BY THE PUBLIC TO THE DESIGNATED DINING AREA.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2015.