

SENATE BILL 1177

A2

7lr2528
CF HB 485

By: **Senators Jennings and Norman**

Introduced and read first time: March 6, 2017

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County – Alcoholic Beverages – Interest in More Than One License**

3 FOR the purpose of specifying that a percentage rent provision in a commercial lease does
4 not constitute an interest in an alcoholic beverages license in Harford County; and
5 generally relating to alcoholic beverages in Harford County.

6 BY repealing and reenacting, without amendments,
7 Article – Alcoholic Beverages
8 Section 22–102 and 22–1501
9 Annotated Code of Maryland
10 (2016 Volume and 2016 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Alcoholic Beverages
13 Section 22–1503
14 Annotated Code of Maryland
15 (2016 Volume and 2016 Supplement)

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

18 **Article – Alcoholic Beverages**

19 22–102.

20 This title applies only in Harford County.

21 22–1501.

22 (a) The following sections of Title 4, Subtitle 2 (“Issuance or Denial of Local
23 Licenses”) of Division I of this article apply in the county without exception or variation:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (1) § 4-205 (“Chain store, supermarket, or discount house”);
- 2 (2) § 4-206 (“Limitations on retail sales floor space”);
- 3 (3) § 4-207 (“Licenses issued to minors”);
- 4 (4) § 4-209 (“Hearing”);
- 5 (5) § 4-213 (“Replacement licenses”); and
- 6 (6) § 4-214 (“Waiting periods after denial of license applications”).

7 (b) The following sections of Title 4, Subtitle 2 (“Issuance or Denial of Local
8 Licenses”) of Division I of this article apply in the county:

- 9 (1) § 4-202 (“Authority of local licensing boards”), subject to § 22-1502 of
10 this subtitle;
- 11 (2) § 4-203 (“Prohibition against issuing multiple licenses to individual or
12 for use of entity”), subject to §§ 22-1503 and 22-1504 of this subtitle and Subtitle 13, Part
13 III and Subtitle 16, Part II of this title;
- 14 (3) § 4-204 (“Prohibition against issuing multiple licenses for same
15 premises”), subject to §§ 22-1503 and 22-1504 of this subtitle and Subtitle 13, Part III of
16 this title;
- 17 (4) § 4-208 (“Notice of license application required”), subject to § 22-1505
18 of this subtitle;
- 19 (5) § 4-210 (“Approval or denial of license application”), subject to §§
20 22-1506 and 22-1507 of this subtitle;
- 21 (6) § 4-211 (“License forms; effective date; expiration”), subject to §
22 22-1508 of this subtitle; and
- 23 (7) § 4-212 (“License not property”), in addition to § 22-1509 of this
24 subtitle.
25 22-1503.

26 (a) (1) Except as otherwise provided in this title, a person may not have
27 interest in more than one license.

28 (2) Paragraph (1) of this subsection applies whether the license is held or
29 controlled by direct or indirect ownership, by franchise operation, by stock ownership, by

1 interlocking directors or interlocking stock ownership, or in any other manner, directly or
2 indirectly.

3 (b) Under subsection (a) of this section, an indirect ownership interest is
4 presumed to exist between any combination of individuals, corporations, limited liability
5 companies, partnerships, limited partnerships, joint ventures, associations, or other
6 persons if any of the following conditions exist between them:

7 (1) a common parent company;

8 (2) a franchise agreement;

9 (3) a licensing agreement;

10 (4) a concession agreement;

11 (5) dual membership in a chain of businesses commonly owned and
12 operated;

13 (6) a sharing of directors, stockholders, partners, or members, or a sharing
14 of directors, stockholders, partners, or members of parents or subsidiaries;

15 (7) common direct or indirect sharing of profit from the sale of alcoholic
16 beverages; or

17 (8) a sharing of a common trade name, trademark, logo, or theme, or mode
18 of operation identifiable by the public.

19 (c) **A PERCENTAGE RENT PROVISION IN A COMMERCIAL LEASE DOES NOT**
20 **CONSTITUTE AN INTEREST IN A LICENSE.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
22 1, 2017.