

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 638

(Anne Arundel County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Anne Arundel County - Alcoholic Beverages - License Application Subject to
Creditor Claim

This bill alters the requirements for the approval of alcoholic beverages license transfers in Anne Arundel County. The bill specifies that the Anne Arundel County Board of License Commissioners is not bound by a specific statutory limitation if a creditor's claim involves indebtedness incurred through the purchase or sale of alcoholic beverages in connection with the licensed premises. Additionally, the bill authorizes the board, if the board determines that a properly filed claim is outside its expertise, to approve an application for the transfer of a license or an application for a new license if there is (1) an amicable resolution of the claim or (2) a judicial determination on the claim. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

Local Effect: This bill is not expected to materially affect Anne Arundel County operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: In general, the board is prohibited from approving an application for the transfer of a license unless all of the obligations of the transferor pertaining to the licensed establishment have been paid or an arrangement concerning the debts and obligations satisfactory to the transferor's creditors are made.

Background: In fiscal 2019, there were 553 alcoholic beverages licenses issued in Anne Arundel County.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 143 (Senator Beidle, *et al.*) - Education, Health, and Environmental Affairs.

Information Source(s): Anne Arundel County; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2020
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