

SENATE BILL 340

A2

2lr2236
CF HB 555

By: **Senator Hershey**

Introduced and read first time: January 21, 2022

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable

Senate action: Adopted

Read second time: March 1, 2022

CHAPTER _____

1 AN ACT concerning

2 **Queen Anne's County – Alcoholic Beverages – License Applications**

3 FOR the purpose of authorizing the Board of License Commissioners for Queen Anne's
4 County to exempt up to a certain number of licenses held on behalf of certain entities
5 from certain ownership requirements; prohibiting the Board from granting an
6 exemption in a certain area; and generally relating to alcoholic beverages licenses in
7 Queen Anne's County.

8 BY repealing and reenacting, without amendments,
9 Article – Alcoholic Beverages
10 Section 27–102
11 Annotated Code of Maryland
12 (2016 Volume and 2021 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Alcoholic Beverages
15 Section 27–1403
16 Annotated Code of Maryland
17 (2016 Volume and 2021 Supplement)

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

20 **Article – Alcoholic Beverages**

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.



1 27-102.

2 This title applies only in Queen Anne's County.

3 27-1403.

4 (a) (1) An individual on behalf of a corporation or limited liability company
5 may not be issued a Class A beer, wine, and liquor license unless the corporation or limited
6 liability company is:

7 (i) a Maryland entity in good standing; or

8 (ii) a foreign entity registered to do business in the State.

9 (2) A Class A beer, wine, and liquor license may not be issued for a
10 corporation if more than one class of common stock is authorized by the corporate charter.

11 (b) (1) This subsection does not apply to:

12 (i) a Class A beer, wine, and liquor license; or

13 (ii) any other license issued before May 1, 1976.

14 (2) An applicant for a license on behalf of a corporation or limited liability
15 company is not required to be a resident of the county.

16 (3) Except as provided in subsection (c) of this section, each applicant
17 applying for a license for a corporation or limited liability company shall own at least 15%
18 of the total outstanding shares of common stock of the corporation or at least a 15% interest
19 in the limited liability company, entitling the applicant to vote at a meeting of stockholders
20 or members.

21 (4) A license may not be issued for a corporation if more than one class of
22 common stock is authorized by the corporate charter.

23 (5) Except as provided in subsection (c) of this section, each year, an
24 applicant, the corporation, or the limited liability company shall submit to the Board a
25 sworn statement that contains:

26 (i) the name and address of each stockholder of the corporation and
27 the number of shares the stockholder owns and is entitled to vote at a stockholder meeting;
28 or

29 (ii) the name and address of each member of the limited liability
30 company and the amount of interest the member owns and is entitled to vote at a meeting
31 of members.

1 (6) The Board may require an applicant to submit other information
2 regarding the background and prior activities of the applicant.

3 (c) (1) Subsection (b)(3) and (5) of this section does not apply to:

4 [(1)] (I) a Class B beer, wine, and liquor (on-sale) license for use in a
5 conference center; or

6 [(2)] (II) any alcoholic beverages license issued within the municipal
7 limits of any incorporated town.

8 (2) (I) **SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, IN**
9 **ADDITION TO THE EXEMPTIONS IN PARAGRAPH (1) OF THIS SUBSECTION, THE**
10 **BOARD MAY EXEMPT UP TO FOUR OTHER LICENSES FROM SUBSECTION (B)(3) AND**
11 **(5) OF THIS SECTION.**

12 (II) **THE BOARD MAY NOT GRANT AN EXEMPTION FOR LICENSED**
13 **PREMISES LOCATED WITHIN THE KENT NARROWS COMMERCIAL MANAGEMENT**
14 **AND WATERFRONT IMPROVEMENT DISTRICT.**

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
16 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.