

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 555

(Delegate Arentz, *et al.*)

Economic Matters

Education, Health, and Environmental Affairs

Queen Anne's County – Alcoholic Beverages – License Applications

This bill authorizes the Queen Anne's County Board of License Commissioners to exempt up to four alcoholic beverages licenses from specified requirements generally relating to (1) applicants for a corporation or limited liability company owning a minimum amount of interest or shares and (2) the annual submission of a sworn statement to the board containing specified information regarding stockholder and interest owners. The bill prohibits the board from granting an exemption for licensed premises located within the Kent Narrows Commercial Management and Waterfront Improvement District. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: None.

Local Effect: The bill is not anticipated to materially affect Queen Anne's County operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: In Queen Anne's County, except for Class A beer, wine, and liquor licenses and any other license issued before May 1, 1976, each applicant applying for an alcoholic beverages license for a corporation or limited liability company must own at least 15% of the total outstanding shares of common stock of the corporation or at least a 15% interest in the limited liability company, entitling the applicant to vote at a meeting of stockholders or members.

The Queen Anne’s County Board of License Commissioners is prohibited from issuing a license to a corporation if more than one class of common stock is authorized by the corporate charter. Each year, an applicant, the corporation, or the limited liability company must submit to the board a sworn statement that contains (1) the name and address of each stockholder of the corporation and the number of shares the stockholder owns and is entitled to vote at a stockholder meeting and (2) the name and address of each member of the limited liability company and the amount of interest the member owns and is entitled to vote at a meeting of members. The board is authorized to require an applicant to submit other information regarding the background and prior activities of the applicant.

The requirements relating to applicants owning specified amounts of stock or interest do not apply to a Class B beer, wine, and liquor (on-sale) license for use in a conference center, or any alcoholic beverages license issued within the municipal limits of any incorporated town.

Additional Information

Prior Introductions: HB 644 of 2021 received a hearing in the House Economic Matters Committee, but no further action was taken.

Designated Cross File: SB 340 (Senator Hershey) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2022
fnu2/tso Third Reader - March 18, 2022

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510