

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 124 (Delegates Taveras and Ruth)
Economic Matters

Alcoholic Beverages - License Applications - Residency Requirements

This bill authorizes a permanent legal resident of the United States to apply for an alcoholic beverages license from a local licensing board by providing the date and place the applicant was granted permanent legal resident status on the license application. **This bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Local revenues from license fees increase to the extent permanent legal residents apply for and acquire alcoholic beverages licenses under the bill. Expenditures are not affected.

Small Business Effect: Minimal.

Analysis

Current Law: Generally, an applicant for an alcoholic beverages license must apply for that license with the local licensing board. Existing statute requires that an applicant for an alcoholic beverages license, unless specified otherwise, must provide the following information in their application:

- the class of license for which the applicant is applying;
- the name and address of the applicant and how long the applicant has resided at that address;

- that at least one applicant is a citizen of the United States;
- that the applicant is a resident of the jurisdiction in which the applicant proposes to operate under the license for which the applicant is applying;
- the age and sex of the applicant;
- the birthplace of the applicant, and if the applicant is a naturalized citizen, the date and place the applicant was naturalized;
- a description of the place for which the license is sought, including (1) the street and number, if practicable, or other description that definitively locates the place; and (2) a description of the portion of the building in which the business will be conducted;
- the name of the owner of the location where the business to be licensed is to be conducted;
- that the applicant has never been convicted of a felony;
- whether the applicant has ever been found guilty of violating a law in the State governing the sale of alcoholic beverages or the prevention of gambling;
- that the applicant has a financial interest in the business to be conducted under the license;
- that the applicant has not had a license for the sale of alcoholic beverages revoked;
- that the applicant or a person on behalf of whom the application is filed does not have a financial interest in any other place of business in the jurisdiction for which an alcoholic beverage license has been applied for or issued;
- whether the applicant has been found guilty of violating a State or federal law;
- whether the applicant has held a license for the sale of alcoholic beverages and, if so, the name of the state and the location where the license was held;
- that during the term of the license, a person other than the applicant will not have a financial interest in the license or in the business to be conducted under the license;
- that a manufacturer, brewer, distiller, or wholesaler, directly or indirectly, does not have a financial interest in the premises or business of the applicant;
- that after receipt of a license, the applicant will not convey or grant an interest in the location or business to a manufacturer, brewer, distiller, or wholesaler, except as authorized under this article;
- that, except for the purchase of alcoholic beverages, when applying for the license, the applicant does not have indebtedness or other financial obligation to a manufacturer, brewer, distiller, or wholesaler;
- that after the license is issued, the applicant will not incur, directly or indirectly, indebtedness or other financial obligation other than for the purchase of alcoholic beverages to a manufacturer, brewer, distiller, or wholesaler; and
- that, if issued a license, the applicant will conform to all laws and regulations relating to the business in which the applicant proposes to engage.

Local Fiscal Effect: Local revenues increase to the extent the bill results in permanent legal residents, who were previously unable to obtain an alcoholic beverages license, to apply for and obtain a license through a local licensing board. For example, Prince George’s County estimates, beginning in fiscal 2025, the county’s license fee revenues from permanent legal resident applicants could increase by as much as \$40,000, under the bill.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore City; Howard and Prince George’s counties; Alcohol, Tobacco, and Cannabis Commission; Department of Legislative Services

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