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Bill No.: _____

Requested: _____

Committee: _____

Drafted by: Gundlach
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Stored – 10/19/26
Proofread by _____
Checked by _____

By: **Prince George's County Delegation**

A BILL ENTITLED

AN ACT concerning

Prince George's County – Alcoholic Beverages – License Ownership Requirements and Advertisement Restrictions

PG 305–27

FOR the purpose of providing that the Board of License Commissioners for Prince George's County may not issue, transfer, or renew a certain license or permit unless certain ownership and operational requirements are met; requiring the holders of certain licenses or permits issued before the effective date of this Act to comply with the ownership and operational requirements under this Act on or before a certain date; prohibiting certain license holders from displaying on the exterior or windows of the licensed premises certain advertisements, subject to a certain exception; and generally relating to alcoholic beverages in Prince George's County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages and Cannabis
Section 26–102
Annotated Code of Maryland
(2024 Replacement Volume and 2026 Supplement)

BY adding to
Article – Alcoholic Beverages and Cannabis

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

Section 26–1609 and 26–2709
Annotated Code of Maryland
(2024 Replacement Volume and 2026 Supplement)

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

Article – Alcoholic Beverages and Cannabis

26–102.

This title applies only in Prince George's County.

26–1609.

(A) IN THIS SECTION, "BENEFICIAL OWNER" MEANS AN INDIVIDUAL WHO:

(1) HAS A DIRECT OR INDIRECT OWNERSHIP INTEREST IN A LICENSED ESTABLISHMENT;

(2) IS ENTITLED TO RECEIVE PROFITS, PROCEEDS, OR DISTRIBUTIONS FROM THE LICENSED ESTABLISHMENT; AND

(3) HAS THE POWER TO DIRECT OR CONTROL THE MANAGEMENT, POLICIES, OR OPERATIONS OF THE LICENSED ESTABLISHMENT.

(B) THIS SECTION APPLIES TO:

(1) A CLASS A BEER LICENSE;

(2) A CLASS A BEER AND LIGHT WINE LICENSE;

(3) A CLASS A BEER, WINE, AND LIQUOR LICENSE;

(4) A CLASS B–PLUS BEER, WINE, AND LIQUOR LICENSE; AND

(5) A SUNDAY OFF–SALE PERMIT ISSUED UNDER § 26–1104 OF THIS TITLE IN CONNECTION WITH A LICENSE DESCRIBED IN ITEMS (1) THROUGH (4) OF THIS SUBSECTION.

(C) THE BOARD MAY ISSUE, TRANSFER, OR RENEW A LICENSE OR PERMIT SUBJECT TO THIS SECTION ONLY IF:

(1) THE APPLICANT OR TRANSFEREE IS A BENEFICIAL OWNER OF THE LICENSED ESTABLISHMENT;

(2) EACH BENEFICIAL OWNER OF THE LICENSED ESTABLISHMENT:

(I) IS DISCLOSED TO THE BOARD;

(II) SATISFIES ALL REQUIREMENTS FOR A LICENSE HOLDER UNDER THIS ARTICLE; AND

(III) IS APPROVED BY THE BOARD;

(3) THE APPLICANT OR TRANSFEREE OWNS AT LEAST 51% OF THE LICENSED ESTABLISHMENT; AND

(4) THE APPLICANT OR TRANSFEREE EXERCISES DAY–TO–DAY OPERATIONAL CONTROL OVER THE LICENSED ESTABLISHMENT.

(D) THE BOARD MAY NOT ISSUE, TRANSFER, OR RENEW A LICENSE OR PERMIT SUBJECT TO THIS SECTION IF:

(1) THE APPLICATION FOR THE LICENSE IS MADE ON BEHALF OF AN UNDISCLOSED BENEFICIAL OWNER;

(2) A PERSON WHO IS NOT DISCLOSED IN THE APPLICATION HAS A DIRECT OR INDIRECT OWNERSHIP INTEREST IN OR EXERCISES DIRECT OR INDIRECT CONTROL OVER THE LICENSED ESTABLISHMENT;

(3) THE LICENSED ESTABLISHMENT IS OPERATED UNDER A MANAGEMENT AGREEMENT, FINANCING AGREEMENT, PROFIT–SHARING AGREEMENT, CONSULTING AGREEMENT, OR OTHER AGREEMENT THAT TRANSFERS

THE RESPONSIBILITIES OF A BENEFICIAL OWNER TO A PERSON NOT APPROVED BY THE BOARD; OR

(4) THE APPLICANT OR ANY BENEFICIAL OWNER FAILS TO MEET THE QUALIFICATIONS REQUIRED OF A LICENSE HOLDER OR PERMIT HOLDER UNDER THIS ARTICLE.

(E) THE BOARD MAY REVOKE A LICENSE OR PERMIT SUBJECT TO THIS SECTION FOR NONCOMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION.

(F) THE BOARD MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION, INCLUDING REGULATIONS THAT REQUIRE THE PRODUCTION OF SWORN DISCLOSURES, AFFIDAVITS, OPERATING AGREEMENTS, SHAREHOLDER AGREEMENTS, PARTNERSHIP AGREEMENTS, FINANCING AGREEMENTS, MANAGEMENT AGREEMENTS, TAX DOCUMENTS, AND ANY OTHER RECORDS NECESSARY TO DETERMINE BENEFICIAL OWNERSHIP OF A LICENSED ESTABLISHMENT.

26–2709.

(A) (1) IN THIS SECTION, "ADVERTISEMENT" MEANS ANY VISUAL, DIGITAL, OR WRITTEN MATTER THAT IS DIRECTLY OR INDIRECTLY CALCULATED TO INDUCE THE SALE OF ALCOHOLIC BEVERAGES, TOBACCO, OR VAPING PRODUCTS.

(2) "ADVERTISEMENT" DOES NOT INCLUDE PACKAGING OR LABELING.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION APPLIES TO THE HOLDER OF:

(I) A CLASS A BEER LICENSE;

(II) A CLASS A BEER AND LIGHT WINE LICENSE;

(III) A CLASS A BEER, WINE, AND LIQUOR LICENSE;

(IV) A CLASS B–PLUS BEER, WINE, AND LIQUOR LICENSE; AND

(V) A CLASS D BEER AND LIGHT WINE LICENSE.

(2) THIS SECTION DOES NOT APPLY TO LICENSED PREMISES IN THE 23RD LEGISLATIVE DISTRICT.

(C) A LICENSE HOLDER MAY NOT DISPLAY ANY ADVERTISEMENT ON THE EXTERIOR OF THE LICENSED PREMISES OR ON THE WINDOWS OF THE LICENSED PREMISES.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING $1,000.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) On or before December 1, 2027, the Board of License Commissioners for Prince George's County shall study the use of memoranda of understanding among the Board, community associations, and applicants for or holders of an alcoholic beverages license and report to the members of the Prince George's County Delegation to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the results of the study.

(b) The scope of the study shall include:

(1) the use of memoranda of understanding in counties and municipalities in the State as well as other states;

(2) the subject matter of the memoranda of understanding;

(3) any laws, regulations, or policies that govern the use and contents of the memoranda of understanding; and

(4) any other information that the Board considers relevant.

SECTION 3. AND BE IT FURTHER ENACTED, That the holder of a license or permit described under § 26–1609(b) of the Alcoholic Beverages and Cannabis Article, as enacted by Section 1 of this Act, that was issued before July 1, 2027, and that is in effect on July 1, 2027, shall demonstrate compliance with § 26–1609 of the Alcoholic Beverages and Cannabis Article, as enacted by Section 1 of this Act, on or before July 1, 2028.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2027.