

HOUSE BILL 960

A1

9lr2817

By: **Delegates Mosby, Conaway, Glenn, Haynes, Ivey, J. Lewis, Moon, Smith, and Washington**

Introduced and read first time: February 8, 2019

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2019

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Alcoholic Beverages – ~~Local Licenses~~ – Prohibited Transfers**

3 FOR the purpose of prohibiting ~~a local licensing board~~ the Board of License Commissioners
4 for Baltimore City from transferring a license to another person ~~if the transferor has~~
5 until the resolution of certain pending criminal charges filed against the transferor
6 or disciplinary matters before the ~~local licensing board~~, Board concerning the
7 transferor; altering the grounds for which a license holder or certain party may make
8 a certain request to the Board to extend the life of a license; authorizing the Board
9 to grant an extension that prolongs the life of a license beyond a certain period of
10 time under certain circumstances; exempting a license the transfer of which is
11 prohibited under this Act from a certain provision of law concerning the period of
12 expiration of a license; and generally relating to prohibited transfers of ~~local~~ alcoholic
13 beverages licenses in Baltimore City.

14 BY repealing and reenacting, without amendments,

15 Article – Alcoholic Beverages

16 Section ~~4-302(a)~~ 12-102

17 Annotated Code of Maryland

18 (2016 Volume and 2018 Supplement)

19 BY adding to

20 Article – Alcoholic Beverages

21 Section ~~4-303.1~~ 12-1705.1

22 Annotated Code of Maryland

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.



(2016 Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 12-2202
Annotated Code of Maryland
(2016 Volume and 2018 Supplement)

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

Article – Alcoholic Beverages

12-102.

This title applies only in Baltimore City.

~~4-302.~~

~~(a) Subject to subsection (b) of this section, a license holder or a receiver or trustee
 for the benefit of creditors, may:~~

~~(1) transfer the license holder's place of business to some other location; or~~

~~(2) transfer the license and the license holder's inventory to another
 person.~~

~~4-303.1.~~ 12-1705.1.

~~A LOCAL LICENSING BOARD~~ **THE BOARD** MAY NOT ALLOW THE TRANSFER OF
 A LICENSE TO ANOTHER PERSON ~~IF THE TRANSFEROR HAS~~ UNTIL THE RESOLUTION
OF:

(1) ANY PENDING CRIMINAL ~~CHARGES~~ CHARGE FILED AGAINST THE
TRANSFEROR THAT DIRECTLY RELATES TO THE OPERATION OF THE LICENSED
PREMISES; OR

(2) ANY DISCIPLINARY ~~MATTERS~~ MATTER BEFORE THE ~~LOCAL~~
~~LICENSING BOARD THAT ARISE OUT OF AN INCIDENT OR A CIRCUMSTANCE~~
~~INVOLVING THE LICENSE OR LICENSED PREMISES~~ BOARD CONCERNING THE
TRANSFEROR.

12-2202.

1 (a) A license expires 180 days after the license holder has closed the business or
2 stopped active alcoholic beverages business operations at the premises for which the license
3 is held unless:

4 (1) an application for approval of a transfer to another location or another
5 person under Subtitle 17 of this title has been approved or is pending;

6 (2) an application for a certificate of permission or a renewal license for
7 continuation of business under Subtitle 23 of this title has been approved or is pending; or

8 (3) a written request for a hardship extension under subsection (b) of this
9 section is filed within the 180-day period.

10 (b) (1) The license holder or another appropriate interested party may make a
11 written request to the Board to extend the life of the license due to hardship, INCLUDING
12 THE PENDENCY OF A CRIMINAL CHARGE FILED AGAINST A TRANSFEROR THAT
13 DIRECTLY RELATES TO THE OPERATION OF THE LICENSED PREMISES OR A
14 DISCIPLINARY MATTER BEFORE THE BOARD CONCERNING THE TRANSFEROR.

15 (2) The Board may grant the extension if the Board finds after a hearing
16 that existing hardship caused the closing or stopping of business operations.

17 (3) [An] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS
18 SUBSECTION, AN extension may not prolong the life of the license beyond 360 days after
19 the date of closing or stopping of alcoholic beverages business operations at the premises
20 for which the license is held.

21 (4) THE BOARD MAY GRANT AN EXTENSION UNDER THIS SUBSECTION
22 THAT PROLONGS THE LIFE OF A LICENSE BEYOND 360 DAYS IF A TRANSFER OF THE
23 LICENSE IS PROHIBITED UNDER § 12-1705.1 OF THIS TITLE.

24 (c) (1) THIS SUBSECTION DOES NOT APPLY TO A LICENSE THE TRANSFER
25 OF WHICH IS PROHIBITED UNDER § 12-1705.1 OF THIS TITLE.

26 (2) The period for which a license may be considered unexpired:

27 (i) begins at the earlier of the closing of the business or stopping of
28 alcoholic beverages business operations; and

29 (ii) may be suspended only by filing an application or request under
30 subsection (a) of this section.

31 [(2)] (3) The expiration period resumes on the last to occur of the
32 following events:

1 (i) final action of the Board granting or denying a request for a
2 hardship extension under subsection (b) of this section;

3 (ii) final action of the Board denying an application described in
4 subsection (a)(1) or (2) of this section;

5 (iii) final judgment of the reviewing court if judicial review of the
6 Board's action on an application or request authorized by subsection (a) or (b) of this section
7 has been granted; or

8 (iv) dismissal of a petition for judicial review of the Board's action.

9 **[(3)] (4)** If an application or request described in subsection (a) or (b) of
10 this section is withdrawn:

11 (i) the period for automatic expiration of the license may not be
12 suspended; and

13 (ii) the application or request shall be considered as if it had not been
14 filed.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2019.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.