Department of Legislative Services

Maryland General Assembly 2019 Session

FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 960

(Delegate Mosby, et al.)

Economic Matters

Education, Health, and Environmental Affairs

Baltimore City – Alcoholic Beverages Licenses – Prohibited Transfers

This bill prohibits the Baltimore City Board of License Commissioners from allowing the transfer of an alcoholic beverages license until the resolution of any (1) pending criminal charge filed against the transferor that directly relates to the operation of the licensed premises or (2) disciplinary matter before the board concerning the transferor. The bill excludes such a prohibition from existing procedures to determine when a license expires. The bill specifies that the pendency of a criminal charge against a transferor that directly relates to the operation of the licensed premises or a disciplinary matter before the board concerning the transferor may be used as a reason to request the extension of the life of the license due to hardship. The board may grant an extension that prolongs the life of the license beyond 360 days if a transfer of the license is prohibited due to a pending criminal charge against the transferor or a disciplinary matter before the board concerning the transferor.

Fiscal Summary

State Effect: The bill does not directly affect State operations or finances.

Local Effect: The bill does not materially affect Baltimore City operations or finances.

Small Business Effect: Potential meaningful. The bill may delay or terminate the transfer of an alcoholic beverages license to a new small business.

Analysis

Current Law: Local boards of license commissioners in the State primarily issue and oversee retail alcoholic beverages licenses in their jurisdictions.

Generally, a license holder is authorized to transfer the license holder's place of business to some other location or to transfer the license and license holder's inventory to another person. Such a transfer may only be made if (1) the local licensing board approves of the transfer; (2) all appropriate taxes have been paid to the Comptroller; and (3) a transfer permit has been obtained, as appropriate.

In Baltimore City, a license expires 180 days after the license holder has closed the business or stopped active alcoholic beverages business operations at the premises for which the license is held unless (1) a transfer of the license has been approved or is pending; (2) a specified certificate of permission or renewal license has been approved or is pending; or (3) a written request for a hardship extension is filed within the 180-day period.

The license holder or another appropriate interested party may make a written request to the board to extend the life of the license due to hardship, but any such extension may not prolong the life of the license beyond 360 days after the date of closing or stopping of alcoholic beverages business operations.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2019 mm/tso Third Reader - March 19, 2019

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