

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 509
Economic Matters

(Delegate Mosby, *et al.*)
Education, Health, and Environmental Affairs

Baltimore City - Alcoholic Beverages Licenses - Grounds for Suspension

This bill authorizes the executive secretary of the Baltimore City Board of License Commissioners to immediately suspend an alcoholic beverages license if the executive secretary, in conjunction with the Baltimore Police Department, has probable cause to believe that the license holder failed to take reasonable measures to prevent an act of violence that resulted in death or serious bodily injury from occurring on specified property. If the executive secretary immediately suspends a license, the board must (1) give the license holder notice of the suspension and a hearing at which the license holder may be heard and present evidence; (2) post notice of the hearing online; and (3) hold the hearing within five business days after the suspension is imposed. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None.

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

Small Business Effect: Minimal overall, but potential meaningful impact for a small business that may be subject to license suspension under the bill.

Analysis

Bill Summary: The bill's provisions do not apply to:

- an arena license;
- a continuing care retirement community license;

- an Inner Harbor Park license;
- a marketplace license;
- a municipal golf course license;
- a public market license;
- a racetrack license; or
- a zoo license.

With respect to a licensed premises located in a unit block where at least five licensed premises are located, the executive secretary may immediately suspend a license if there is probable cause to believe that the license holder failed to take reasonable measures to prevent a specified act of violence from occurring on the licensed premises of the license holder.

With respect to other licensed premises to which the bill applies, the executive secretary may immediately suspend a license if there is probable cause to believe that the license holder failed to take reasonable measures to prevent a specified act of violence from occurring on the licensed premises of the license holder or any premises immediately adjacent to the licensed premises that are owned or leased by the license holder.

Current Law: In the State, a local licensing board may revoke or suspend an alcoholic beverages license for an offense under the Alcoholic Beverages Article or for any reason to promote the peace or safety of the community in which the licensed establishment is located. State law specifies grounds on which a local licensing board must revoke or suspend an alcoholic beverages license, including for (1) a conviction of a license holder for a violation of the Alcoholic Beverages Article or a provision of State law pertaining to the alcoholic beverage tax; (2) the willful failure or refusal of a license holder to comply with provisions of or regulations adopted under the Alcoholic Beverages Article or State law pertaining to the alcoholic beverage tax; or (3) a conviction of a license holder for a violation of federal law pertaining to alcoholic beverages.

Generally, revocation or suspension procedures may be started by a local licensing board on its own initiative; on the complaint of a peace officer; on the complaint of the mayor and council of a municipality, if a license holder is located in a municipality within a county; or on the written complaint of at least 10 residents, real estate owners, or voters of the precinct in which the licensed premises is located. A license holder against whom proceedings are brought is entitled to a hearing on the charges in the complaint and must receive notice of the hearing at least 10 days before the hearing date.

Background: According to the Comptroller's Office, in fiscal 2019, there were 1,208 alcoholic beverages licenses issued in Baltimore City.

Additional Information

Prior Introductions: HB 965 of 2019, a similar bill, passed the House as amended and received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 12, 2020
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 Revised - Amendment(s) - March 15, 2020
 Revised - Clarification - March 15, 2020

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