

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

Senate Bill 138

(Senator Della)

Economic and Environmental Affairs

Baltimore City - Alcoholic Beverages - License Extension

This bill authorizes the Board of Liquor License Commissioners of Baltimore City to grant an extension of the period that a license is deemed unexpired for a time that the board considers appropriate due to bankruptcy, fire, natural disaster, displacement by condemnation, or other unusual circumstances, if all license fees have been paid to date.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues could continue due to extension provisions for licensees affected by bankruptcy, fire, natural disaster, displacement by condemnation, or other unusual circumstance.

Small Business Effect: Potential meaningful. Enabling alcoholic beverages licensees to keep their license until a hardship is overcome would positively impact small business licensees.

Analysis

Current Law: An alcoholic beverages license in Baltimore City is considered expired 180 days after the holder of any license has closed the business or ceased active alcoholic beverages business operations unless: (1) an application for approval of a transfer to another location is pending or has been approved; (2) an application for transfer of a license due to the death of the licensee is pending or has been approved; or (3) a written request for a hardship extension is filed within the 180-day period. A licensee or other

appropriate interested party may make a written request to the board for an extension of the life of the license due to undue hardship, for a period of no more than a cumulative period of 360 days after the date of closing or cessation of alcoholic beverages business operations. The Board of Liquor License Commissioners has no authority to grant extensions 360 days after any licensee has closed its business or ceased active alcoholic beverages business operations.

Background: Baltimore City advises that its regulatory restrictions on the location and density of licenses can prevent inactive license holders from reopening their alcoholic beverages businesses at new locations.

Local Fiscal Effect: Baltimore City revenues could continue due to extension provisions for licensees affected by bankruptcy, fire, natural disaster, displacement by condemnation, or other unusual circumstance. Baltimore City revenues could decrease to the extent that licenses expire without the hardship extension. The exact number of licenses that would expire without the bill's extension provisions is unknown.

Baltimore City advises that there are ten inactive licenses resulting from bankruptcy, fire, displacement by condemnation, or other unusual circumstances. The licensees are unable to find new locations in which to operate and their licenses could expire without the bill's provisions.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Department of Legislative Services

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