

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 233 (Senator Della)
Education, Health, and Environmental Affairs

Baltimore City - Alcoholic Beverages - Expiration of Licenses - Drinking Games

This bill extends the time period, from 180 to 360 days, by which an alcoholic beverages licensee in Baltimore City has to reopen a closed business, resume alcoholic beverages operations, or file for a hardship extension before the license expires. The bill also increases the maximum duration of a hardship extension from 360 to 720 days. These extensions terminate after June 30, 2011.

The bill also prohibits certain drinking games in licensed establishments in Baltimore City and imposes penalties for violations.

The bill takes effect on July 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal increase in license fee revenue for Baltimore City due to licensees renewing licenses during the extended grace period or hardship extension.

Small Business Effect: Potential minimal effect on small businesses in Baltimore City to the extent that more businesses can be sold or resume operations as a result of the extended grace period and hardship extension.

Analysis

Bill Summary: License holders or owners or operators of bottle clubs in Baltimore City are prohibited from promoting, encouraging, or allowing beer pong or any other game or

contest that involves drinking alcoholic beverages or the awarding of drinks of alcoholic beverages as prizes on the premises. The Baltimore City Board of Liquor License Commissioners may impose fines on violators and suspend the license of a license holder who violates these provisions or cancel the registration of a bottle club if an owner or operator violates the provisions.

Current Law: In Baltimore City, license holders have 180 days from the closing of the business or cessation of alcoholic beverages business before an alcoholic beverages license expires unless an application to transfer the license has been approved or is pending, an application to extend the license after the death of a license holder is approved or pending, or the license holder files a written request for a hardship extension. Written requests for undue hardship extensions must be filed within the 180-day period. Hardships extensions are granted or denied following a hearing, and extensions are valid for up to 360 days, cumulatively.

Background: Prohibitions against beer pong and other drinking games can be found on some college and university campuses, but are less common in other locations.

Local Revenues: Baltimore City indicates that the licenses for at least 25 businesses are set to expire in the coming months because the business has closed or ceased alcoholic beverages operations. Baltimore City requires the annual license fee for a closed establishment to be paid before a renewal for the coming year will be accepted. Baltimore City advises that by granting licensees more time to sell their business before the license expires, licensees will be more likely to pay the license fee. Baltimore City estimates that the increase in license fee revenues may total \$25,000.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 10, 2009
ncs/mwc

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