

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 1326  
Economic Matters

(Delegate Robinson, *et al.*)

Education, Health, and Environmental Affairs

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**Baltimore City - Consumption of Alcoholic Beverages - Unlicensed Restaurants**

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This bill prohibits an establishment in Baltimore City that is not licensed by the Baltimore City Board of License Commissioners from giving, serving, or dispensing alcoholic beverages on its premises, unless the establishment is a restaurant and (1) the alcoholic beverages are brought to the restaurant by the patron, (2) the alcoholic beverages are consumed with a meal, (3) there is no charge for admission, and (4) the Baltimore City Fire Department determines that the maximum seating capacity of the restaurant is 50. The bill also authorizes the Baltimore City Police Department to close an establishment if the department determines that the public health, safety, or welfare requires emergency action. Finally, the bill repeals provisions of law allowing bottle clubs in Baltimore City.

The bill takes effect July 1, 2010.

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**Fiscal Summary**

**State Effect:** The criminal penalty provisions of the bill are not expected to significantly affect State finances or operations.

**Local Effect:** The bill does not significantly affect the operations or finances of the Baltimore City Board of License Commissioners or the Baltimore City Police Department. The criminal penalty provisions of the bill are not expected to significantly affect local finances or operations.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** A bottle club is defined as an establishment that serves, gives, or allows alcoholic beverages to be consumed by patrons from supplies that the patron previously purchased or reserved. When registering a bottle club with the board of license commissioners, the owner must provide evidence of all required inspections of the establishment and business licenses issued by the State or board. In addition, the board must meet the same notice and hearing requirements for the registration application that is used for an alcoholic beverages license application. At the hearing, the board must determine whether to register the bottle club establishment and, before approving an application for registration, the applicant must provide copies of all inspections, a trader's license, a sales and use tax license, and a use and occupancy permit. Anyone seeking to renew a registration for an additional year must pay a renewal fee. If a protest has been filed by the board or by 10 residents, commercial tenants (without alcoholic beverages licenses), or real estate owners, the board may not approve the application for registration without providing for a hearing.

A violation of these provisions is a misdemeanor, and upon conviction, subject to a fine of up to \$10,000 and/or imprisonment for up to two years.

**Background:** The Baltimore City Board of License Commissioners is comprised of three members and is responsible for regulating the sale, storage, and distribution of retail alcoholic beverages in Baltimore City. Board members are appointed by the Governor, with the advice and consent of the city senators, and serve two-year terms. All permanent licenses issued by the board are annual licenses and are valid from May 1 through April 30 each year. Licensees must file renewal applications during the month of March to renew the license for the next year. There is no application fee to file a renewal but late renewal filings are subject to a \$50 per day penalty, not to exceed \$1,500.

Several bottle clubs in Baltimore City have been shut down in recent months due to unsafe and dangerous activities taking place in and around the clubs.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 376 (Senators Della and Jones) - Education, Health, and Environmental Affairs.

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

**Fiscal Note History:** First Reader - February 21, 2010  
mpc/hlb Revised - House Third Reader - March 30, 2010

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