By: Senators Conway, Ferguson, Jones-Rodwell, McFadden, and Pugh
Introduced and read first time: February 4, 2011
Assigned to: Education, Health, and Environmental Affairs

## A BILL ENTITLED

AN ACT concerning

## Baltimore City - Alcoholic Beverages - Class B-D-7 License Holders Security Plan

FOR the purpose of requiring in Baltimore City certain holders and applicants of a Class B-D-7 alcoholic beverages license to comply with certain requirements regarding a certain security plan for their premises; requiring applicants and holders of a Class B-D-7 license who offer certain entertainment to develop a security plan and submit the plan for review to certain individuals; authorizing the Commissioner of the Baltimore City Police Department to submit certain comments to the Board of Liquor License Commissioners for Baltimore City; requiring the Board to take certain actions under certain circumstances; requiring certain license holders to implement certain security plans and prohibit underage individuals on the premises; providing for a certain exception; authorizing certain license holders to employ sworn security personnel under certain circumstances; authorizing the Board immediately to suspend certain licenses under certain circumstances; requiring the Board to take certain actions if it immediately suspends a license; authorizing the Board to revoke or continue a suspension of a license under certain circumstances; requiring the Board to impose certain penalties under certain circumstances; requiring the Board to consider certain factors when setting the amount of certain penalties; requiring the Board to revoke certain licenses under certain circumstances; prohibiting the Board from considering, at least for a certain period of time, an application for a new license from the person whose license was revoked or an application for a new license for certain premises; requiring the Board to reinstate, under certain circumstances, a license that has been suspended or revoked; defining a certain term; and generally relating to the development of security plans in Baltimore City by applicants for and holders of Class B-D-7 licenses who offer entertainment.

BY repealing and reenacting, with amendments,
Article 2B - Alcoholic Beverages

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.

Section 8-203(d)
Annotated Code of Maryland
(2005 Replacement Volume and 2010 Supplement)
BY adding to
Article 2B - Alcoholic Beverages
Section 8-203.1
Annotated Code of Maryland
(2005 Replacement Volume and 2010 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

## Article 2B - Alcoholic Beverages

8-203.
(d) (1) There is a Class B-D-7 license.
(2) The Board may issue an additional beer, wine and liquor license.
(3) (i) Except as provided in subparagraph (ii) of this paragraph, licensees may sell all alcoholic beverages at retail at the place in the license described, for consumption on the premises and elsewhere, from 6 a.m. to $2 \mathrm{a} . \mathrm{m}$. on the following day, 7 days per week.
(ii) In the Park Heights Redevelopment Area that is specified in the Park Heights Master Plan adopted in 2006, the hours of sale begin at 9 a.m. each day.
(4) All restaurant licensees having a valid Class B beer, wine and liquor license and all licensees having a valid Class $D$ beer, wine and liquor license with the special amusement license may exchange their present license for a Class $\mathrm{B}-\mathrm{D}-7$ license. All special restrictions imposed on the particular Class B or Class D license with special amusement license being exchanged shall remain in effect and apply to the new license until changed by the license commissioners.
(5) A Class B-D-7, beer, wine and liquor license other than as provided in subsection (4) may not be issued until June 1, 1967, at which time the procedure in issuing such licenses other than as set forth in subsection (4) shall be prescribed by regulation of the Board and shall conform as near as practicable to the procedure prescribed in § 10-202 of this article. A license may not be issued by the Board unless the license, in the judgment of the Board, is reasonably necessary for the convenience of the public. In determining what is reasonably necessary for the convenience of the public, the Board shall consider the number of beer, wine and liquor outlets in any given area and the number of days such outlets are open rather than the nature of the beer, wine and liquor licensed outlets.
(6) Licenses issued under the authority of this section are subject to all the provisions of this article relating to licenses in Baltimore City to the extent that those provisions are not inconsistent with this section.
(7) All such licenses shall be issued by the Board of Liquor License Commissioners [upon certification] ON:
(I) CERTIFICATION of the Board;
(II) PAYMENT OF [The] THE annual license fee [is] OF $\$ 1,320$; AND
(III) COMPLIANCE WITH THE REQUIREMENT FOR A SECURITY PLAN UNDER § 8-203.1 OF THIS SUBTITLE.
(8) The Board shall adopt regulations to determine the manner of operation of an establishment that is operated under a Class B-D-7 beer, wine and liquor license.
(9) (i) On or before April 22, 1996, the holder of an expiring Class B-D -7 beer, wine and liquor license shall file with the Board a declaration of intent in conjunction with filing an application for license renewal.
(ii) The declaration of intent shall request the Board to:

1. Renew the expiring license effective May 1, 1996 as a Class B-D-7 beer, wine and liquor license pursuant to this section and any regulations adopted by the Board; or
2. Renew the expiring license effective May 1, 1996 as a Class A-2 beer, wine and liquor off-sale package goods license pursuant to § 6-102 of this article.
(iii) A Class A-2 beer, wine and liquor off-sale license substituted under this section may not be converted or substituted for any other class of alcoholic beverages license, including a reversion to a Class B-D-7 beer, wine and liquor license.
(iv) A substitute license provided for under this subsection may not be granted after May 1, 1996.

8-203.1.
(A) IN THIS SECTION, "BOARD" MEANS THE BOARD OF LIQUOR LICENSE COMMISSIONERS FOR BALTIMORE CITY.
(B) This section applies only in Baltimore City.
(C) (1) A holder of a Class B-D-7 License who offers the PLAYING OF MUSIC, DANCING, OR OTHER SIMILAR TYPE OF ENTERTAINMENT SHALL DEVELOP A SECURITY PLAN TO PREVENT THE PREMISES FOR WHICH THE LICENSE IS HELD FROM POSING A THREAT TO THE PEACE AND SAFETY OF THE SURROUNDING AREA; AND
(2) SUBMIT THE PLAN FOR REVIEW TO THE BOARD AND THE Commissioner of the Baltimore City Police Department.
(D) The Commissioner of the Baltimore City Police Department may submit comments to the Board on the adequacy of THE SECURITY PLAN WITHIN 30 DAYS AFTER RECEIPT OF THE PLAN.
(E) (1) PRIOR TO THE ISSUANCE OR RENEWAL OF A LICENSE UNDER § 8-203(D) OF THIS SUBTITLE, THE BOARD SHALL CONSIDER THE COMMENTS, IF any, of the Commissioner of the Baltimore City Police Department and subsequently issue or renew the license, refuse to issue or renew the license, or condition the issuance or renewal of the LICENSE ON CHANGES TO THE SECURITY PLAN.
(2) If the Board issues or renews a license with a security plan that the Commissioner of the Baltimore City Police Department does not support, the Board shall specify in writing to the Commissioner the reasons why the Board has determined that THE SECURITY PLAN IS ADEQUATE.
(F) A holder of a Class B-D-7 license shall follow the approved security plan at all times when the license holder EXERCISES THE PRIVILEGES OF THE LICENSE.
(G) (1) A holder of a Class B-D-7 LICENSE:
(I) ShALL IMPLEMENT THE SECURITY PLAN;
(II) MAY NOT ALLOW AN INDIVIDUAL WHO IS UNDER THE age of 21 years on the premises for which the license is issued, UNLESS THE INDIVIDUAL IS EMPLOYED BY OR IS AN IMMEDIATE FAMILY MEMBER OF THE LICENSE HOLDER; AND
(III) MAY EMPLOY SWORN SECURITY PERSONNEL AS PART of the security plan if the sworn security personnel have full POLICE POWERS IN BALTIMORE CITY.
(H) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE BOARD MAY IMMEDIATELY SUSPEND A CLASS B-D-7 LICENSE IF:
(I) THE BOARD REASONABLY BELIEVES THAT THE LICENSE HOLDER VIOLATED THIS SECTION;
(II) THE BOARD REASONABLY BELIEVES THAT THE PREMISES FOR WHICH THE LICENSE IS HELD POSE A THREAT TO THE PEACE AND SAFETY OF THE SURROUNDING AREA THAT NEEDS TO BE ADDRESSED ON AN EMERGENCY BASIS BASED ON COMPELLING INFORMATION; AND
(III) THE NOTICE OF IMMEDIATE SUSPENSION SETS FORTH THE JUSTIFICATION FOR THE IMMEDIATE SUSPENSION OF THE LICENSE.
(2) IF THE BOARD IMMEDIATELY SUSPENDS A LICENSE, THE BOARD SHALL:
(I) GIVE THE LICENSE HOLDER NOTICE OF THE SUSPENSION AND A HEARING ON THE SUSPENSION AT WHICH THE LICENSE HOLDER MAY BE HEARD AND PRESENT EVIDENCE; AND
(II) HOLD THE HEARING WITHIN 30 DAYS AFTER THE SUSPENSION IS IMPOSED.
(3) AT THE HEARING, THE BOARD SHALL DETERMINE:
(I) WHETHER THE LICENSE HOLDER VIOLATED THIS SECTION; AND
(II) IF A VIOLATION OCCURRED, WHAT PENALTY TO IMPOSE AMONG THOSE LISTED IN PARAGRAPHS (4) AND (6) OF THIS SUBSECTION.
(4) SUBJECT TO PARAGRAPH (5) OF THIS SUBSECTION, IF THE BOARD FINDS THAT A PERSON HAS VIOLATED THIS SUBSECTION, THE BOARD:
(I) MAY REVOKE OR CONTINUE THE SUSPENSION OF THE

## LICENSE; AND

(II) SHALL IMPOSE ON THE PERSON A PENALTY OF:

1. FOR A FIRST OFFENSE, AT LEAST $\$ \mathbf{1 , 0 0 0}$ BUT NOT MORE THAN \$12,500; AND
2. FOR EACH SUBSEQUENT OFFENSE, AT LEAST $\$ 5,000$ BUT NOT MORE THAN $\$ 15,000$.
(5) In setting the amount of the penalty provided in PARAGRAPH (4) OF THIS SUBSECTION, THE BOARD SHALL CONSIDER:
(I) The SEVERITY OF THE VIOLATION FOR WHICH THE PENALTY IS TO BE ASSESSED;
(II) THE GOOD FAITH OF THE VIOLATOR; AND
(III) ANY history of prior violations.
(6) The Board:
(I) Shall revoke the license of a person who the Board determines violated this subsection twice within a 24-MONTH PERIOD; AND
(II) Until at least 12 months after the order of REVOCATION WERE ISSUED, MAY NOT CONSIDER AN APPLICATION FROM THE PERSON FOR A NEW LICENSE OR AN APPLICATION FOR A NEW LICENSE FOR THE PREMISES THAT WAS THE SUBJECT OF THE REVOCATION.
(7) If THE BOARD DETERMINES THAT THE LICENSE HOLDER DID NOT VIOLATE THIS SECTION, THE BOARD IMMEDIATELY SHALL REINSTATE THE LICENSE.
(I) The Board shall adopt regulations to carry out this SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2011.

