

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE

Senate Bill 377

(Senator Conway)

Education, Health, and Environmental Affairs

Economic Matters

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Alcoholic Beverages - Baltimore City - False Advertising

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This bill prohibits an alcoholic beverages licensee in Baltimore City from advertising falsely in the conduct of any business. The Board of License Commissioners is required to enforce the prohibition. A violator is guilty of a misdemeanor and subject to a maximum fine of \$1,000.

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Fiscal Summary

**State Effect:** Any possible fine revenue resulting from misdemeanor cases being heard in the District Court is expected to be minimal.

**Local Effect:** It is assumed that the Baltimore City Board of Liquor License Commissioners will handle enforcement responsibilities by responding to complaints, rather than full-time monitoring of the Internet. Any possible fine revenue paid directly to Baltimore City is expected to be minimal.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** Under the bill, to “advertise falsely” means to use any advertisement that is untrue, deceptive, or misleading in a material respect.

To advertise falsely includes the use and placement of an advertisement by a person on the Internet that contains an affirmative representation that an alcoholic beverages licensee may offer for sale a container of alcoholic beverages that the licensee is not authorized to sell.

**Current Law:** An unfair or deceptive trade practice under the Maryland Consumer Protection Act (MCPA) includes any false, falsely disparaging, or misleading oral or written statement, visual description, or other representation of any kind which has the capacity, tendency, or effect of deceiving or misleading consumers. The prohibition against engaging in any unfair or deceptive trade practice encompasses the offer for or actual sale, lease, rental, loan, or bailment of any consumer goods, consumer realty, or consumer service; the extension of consumer credit; and the collection of consumer debt.

The Consumer Protection Division is responsible for enforcing MCPA and investigating the complaints of aggrieved consumers. The division may attempt to conciliate the matter, hold a public hearing, seek an injunction, or bring an action for damages. A merchant who violates MCPA is subject to a fine of up to \$1,000 for the first violation and up to \$5,000 for each subsequent violation. In addition to any civil penalties that may be imposed, any person who violates MCPA is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$1,000 and/or imprisonment for up to one year.

**Background:** The Baltimore City Board of Liquor License Commissioners currently has 14 full-time inspectors who inspect and monitor establishments with alcoholic beverages licenses in Baltimore City.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore City, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - February 16, 2012  
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