

HB1317/263193/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 1317

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Delegation”; strike beginning with “Appointment” in line 2 down through “Commissioners” in line 3 and substitute “Alcoholic Beverages Regulation Reform Act of 2017”; in line 5, strike “repealing the requirement that” and substitute “requiring the County Executive for Prince George’s County, instead of”; in the same line, after “Governor” insert “, to”; in the same line, strike “all of the”; in line 7, strike “the County Executive to make”; in the same line, strike the comma and substitute “to be made”; in line 8, after the first “the” insert “Prince George’s”; in the same line, after “Council;” insert “requiring a confirmation hearing before the Prince George’s County Council to be held within a certain time; requiring members of the Board to have a certain type of experience; repealing certain appointment procedures for members of the Board; requiring the County Executive to consider the need for certain types of diversity when evaluating an applicant for membership on the Board; prohibiting a member of the Board from soliciting or receiving certain benefits; prohibiting certain individuals from soliciting or receiving certain benefits from certain individuals; prohibiting a member of the Board from being appointed to more than a certain number of terms;”; in the same line, after “Executive” insert a comma; in the same line, after “Governor” insert a comma; in line 9, strike “make an appointment” and substitute “appoint an eligible individual”; in the same line, after “vacancy” insert “under certain circumstances; providing that a vacancy appointment is subject to a certain confirmation hearing”; and strike beginning with “requiring” in line 10 down through “Governor;” in line 12.

On pages 1 and 2, strike beginning with “authorizing” in line 14 on page 1 down through “date” in line 1 on page 2 and substitute “requiring the Board to appoint a director, rather than an administrator; altering certain provisions relating to the salary and expenses of certain members and employees of the Board; altering the number of full-time and part-time inspectors of the Board; authorizing, except under certain

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circumstances, certain individuals to hold certain employment; providing that a member of the Board is subject to the same restrictions on earned income as certain individuals are under a certain provision of law; authorizing the Prince George’s County Board of Ethics to exempt a member of the Board from the restriction on earned income; requiring certain individuals to comply with certain public ethics laws; requiring that certain financial disclosure provisions for the Board be equivalent to or exceed the requirements of a certain provision of law; providing that the members, employees, and inspectors of the Board are subject to certain public ethics laws to the same extent as certain local officials; authorizing a person to file a complaint with the county’s Office of Ethics and Accountability under certain circumstances; requiring the Office of Ethics and Accountability to take certain action if a complaint is filed; requiring that the Office of Legislative Audits conduct a certain audit of the Board and focus on certain matters; authorizing the employees and authorized representatives of the Office of Legislative Audits to have access to certain records for a certain purpose; exempting certain audit reports from the requirement that the Legislative Auditor send copies of audit reports to certain individuals; requiring that certain audit reports be sent to certain persons; providing for the termination of certain terms of office; requiring the County Executive to employ an outside professional consultant to review certain standard operating procedures, make a certain comparison, and recommend certain changes; making conforming changes; defining a certain term; altering a certain definition”.

On page 2, after line 12, insert:

“BY adding to

Article - Alcoholic Beverages

Section 26-206.1 and 26-209

Annotated Code of Maryland

(2016 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article - General Provisions

Section 5-809(a)

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Annotated Code of Maryland
(2014 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article - General Provisions

Section 5-809(b)

Annotated Code of Maryland
(2014 Volume and 2016 Supplement)

BY adding to

Article - State Government

Section 2-1220(g)

Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article - State Government

Section 2-1223(a) and 2-1224(a), (d), and (e)

Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article - State Government

Section 2-1224(b) and (c)

Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)".

AMENDMENT NO. 2

On page 2, in lines 21, 24, and 31, in each instance, strike the bracket; strike beginning with "The" in line 21 down through "alone" in line 24 and substitute:

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“(I) WITHIN 60 DAYS AFTER NOMINATION BY THE COUNTY EXECUTIVE, AND NOT LESS THAN 7 DAYS BEFORE A CONFIRMATION VOTE ON A NOMINEE IS SCHEDULED, THE COUNTY COUNCIL SHALL HOLD A PUBLIC CONFIRMATION HEARING FOR AN INDIVIDUAL NOMINATED TO THE BOARD.

“(II) IF THE COUNTY COUNCIL DOES NOT HOLD A PUBLIC HEARING AS REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE NOMINEE SHALL BECOME A MEMBER OF THE BOARD.”;

and in line 25, after “(b)” insert an opening bracket.

On page 3, in line 12, strike the bracket; in line 13, strike the first bracket; in the same line, strike “(2)” and substitute “(1)”; after line 16, insert:

“(2) EACH MEMBER OF THE BOARD SHALL HAVE:

(I) LEGAL EXPERIENCE;

(II) PUBLIC SAFETY EXPERIENCE;

(III) REGULATORY EXPERIENCE; OR

(IV) BUSINESS MANAGEMENT EXPERIENCE.

“(3) WHEN EVALUATING AN APPLICANT FOR MEMBERSHIP ON THE BOARD, THE COUNTY EXECUTIVE SHALL CONSIDER THE NEED FOR GEOGRAPHIC, POLITICAL, RACIAL, ETHNIC, AND GENDER DIVERSITY ON THE BOARD.”;

and in line 28, strike “or”.

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On page 4, in line 3, after “holder” insert “;

(V) SOLICIT OR RECEIVE, DIRECTLY OR INDIRECTLY OR ON BEHALF OF ANOTHER PERSON, A COMMISSION, POLITICAL CONTRIBUTION, REMUNERATION, OR GIFT FROM A PERSON ENGAGED IN THE MANUFACTURE, DISTRIBUTION, OR SALE OF ALCOHOLIC BEVERAGES OR AN AGENT OR EMPLOYEE OF THE PERSON; OR

(VI) SOLICIT OR RECEIVE, DIRECTLY OR INDIRECTLY, A COMMISSION, REMUNERATION, OR GIFT FROM A LICENSE HOLDER”;

in lines 12, 13, 21, and 26, in each instance, strike the bracket; after line 13, insert:

“(3) A MEMBER MAY NOT BE APPOINTED TO MORE THAN THREE TERMS.”;

after line 18, insert:

“(3) AN APPOINTMENT MADE TO FILL A VACANCY IS SUBJECT TO A CONFIRMATION HEARING BY THE COUNTY COUNCIL UNDER SUBSECTION (A) OF THIS SECTION.”;

in lines 21 and 24, in each instance, strike “Governor” and substitute “**COUNTY EXECUTIVE**”; and in line 25, strike “Governor’s” and substitute “**COUNTY EXECUTIVE’S**”.

AMENDMENT NO. 3

On page 5, in line 26, strike “Board” and substitute “**DIRECTOR**”.

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On page 6, in line 4, strike the first bracket; in the same line, strike “] COUNTY EXECUTIVE”; in the same line, strike “an” and substitute “A”; in lines 5, 6, 8, and 11, in each instance, strike “EXECUTIVE”; in line 5, strike “, SUBJECT TO CONFIRMATION BY THE COUNTY COUNCIL”; in line 7, strike the brackets; in the same line, strike “COUNTY EXECUTIVE”; in line 8, strike “SHALL” and substitute “MAY”; in line 11, strike “(i)”; and strike in their entirety lines 13 and 14 and substitute:

“(5) THE DIRECTOR SHALL FOLLOW THE REQUIREMENTS OF SUBTITLE 16 OF THE PRINCE GEORGE’S COUNTY CODE WHILE HIRING ANY EMPLOYEES UNDER SUBSECTION (A) OF THIS SECTION.”.

On page 7, strike in their entirety lines 17 and 18.

On page 8, in line 9, strike “Board” and substitute “DIRECTOR”; and in the same line, strike “its” and substitute “THE BOARD’S”.

AMENDMENT NO. 4

On page 9, in line 1, in each instance, strike the opening bracket and substitute “UP TO”; in the same line, strike “] TWO”; in lines 1 and 2, strike “] NOT MORE THAN 16”; in line 6, strike the brackets; in the same line, strike “ONE”; in the same line, strike “INSPECTOR”; in line 12, strike the first bracket; in the same line, strike “] THE”; in line 13, strike “THAT IS” and substitute “AS”; and after line 13, insert:

“26-206.1.

(A) IN THIS SECTION, “DIRECT OR INDIRECT INTEREST” MEANS AN INTEREST THAT IS:

(1) PROPRIETARY;

(2) OBTAINED BY A LOAN, MORTGAGE, OR LIEN OR IN ANY OTHER MANNER; OR

(3) BENEFICIALLY OWNED THROUGH AN INVESTMENT VEHICLE, ESTATE, TRUST, OR OTHER INTERMEDIARY WHEN THE BENEFICIARY DOES NOT CONTROL THE INTERMEDIARY OR MAY SUPERVISE OR PARTICIPATE IN THE INTERMEDIARY'S INVESTMENT DECISIONS.

(B) (1) A MEMBER OF THE BOARD IS SUBJECT TO THE RESTRICTIONS ON EARNED INCOME THAT A FILED CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY, A MEMBER-ELECT OF THE GENERAL ASSEMBLY, AND A MEMBER OF THE GENERAL ASSEMBLY ARE SUBJECT TO UNDER § 5-514(A)(1) OF THE GENERAL PROVISIONS ARTICLE.

(2) THE PRINCE GEORGE'S COUNTY BOARD OF ETHICS MAY EXEMPT A MEMBER OF THE BOARD FROM THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION IN THE SAME MANNER THAT THE JOINT ETHICS COMMITTEE MAY EXEMPT AN INDIVIDUAL FROM § 5-514(A)(1) OF THE GENERAL PROVISIONS ARTICLE.

(C) AN ACTION OF A MEMBER, AN INSPECTOR, OR AN EMPLOYEE OF THE BOARD IS SUBJECT TO STATE REQUIREMENTS OF THE PUBLIC INFORMATION ACT UNDER TITLE 3 OF THE GENERAL PROVISIONS ARTICLE.

26-209.

(A) ALL MEMBERS, EMPLOYEES, AND INSPECTORS OF THE BOARD ARE SUBJECT TO THE COUNTY'S PUBLIC ETHICS LAWS ENACTED UNDER § 5-807 OF

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THE GENERAL PROVISIONS ARTICLE TO THE SAME EXTENT AS A LOCAL OFFICIAL OF THE COUNTY.

(B) (1) A PERSON MAY FILE A COMPLAINT WITH THE COUNTY'S OFFICE OF ETHICS AND ACCOUNTABILITY IF THE PERSON BELIEVES THAT A MEMBER, AN EMPLOYEE, OR AN INSPECTOR OF THE BOARD HAS VIOLATED:

(I) ANY PROVISION OF CIVIL OR CRIMINAL LAW, INCLUDING LAWS AGAINST BRIBERY, IN CONNECTION WITH THE PERFORMANCE OF THE DUTIES OF THE MEMBER, EMPLOYEE, OR INSPECTOR; OR

(II) ANY PROVISION OF THE COUNTY'S PUBLIC ETHICS LAWS.

(2) IF A COMPLAINT IS FILED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COUNTY'S OFFICE OF ETHICS AND ACCOUNTABILITY SHALL:

(I) INVESTIGATE THE COMPLAINT; AND

(II) IF APPROPRIATE, REFER THE COMPLAINT TO THE STATE'S ATTORNEY OF THE COUNTY FOR CRIMINAL PROSECUTION.

Article – General Provisions

5–809.

(a) In this section, “local official” includes an individual who is designated as a local official and whose position is funded wholly or partly by the State.

(b) (1) Except as provided in [paragraph] PARAGRAPHS (2) AND (3) of this subsection and subsection (c) of this section, the financial disclosure provisions enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be similar to the provisions of Subtitle 6 of this title; but

(ii) in accordance with regulations adopted by the Ethics Commission and consistent with the intent of this title, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(2) The financial disclosure provisions for elected local officials enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be equivalent to or exceed the requirements of Subtitle 6 of this title; but

(ii) in accordance with regulations adopted by the Ethics Commission and consistent with the intent of this title, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(3) THE FINANCIAL DISCLOSURE PROVISIONS FOR MEMBERS OF THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE’S COUNTY ENACTED BY PRINCE GEORGE’S COUNTY UNDER § 5-807 OF THIS SUBTITLE SHALL BE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF SUBTITLE 6 OF THIS TITLE.

Article – State Government

2-1220.

(G) (1) BEGINNING ON JULY 1, 2017, AND AT LEAST ONCE EVERY 3 YEARS THEREAFTER, THE OFFICE OF LEGISLATIVE AUDITS SHALL CONDUCT A PERFORMANCE AUDIT OF THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE’S COUNTY TO EVALUATE THE EFFECTIVENESS AND EFFICIENCY

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OF THE MANAGEMENT PRACTICES OF THE BOARD AND OF THE ECONOMY WITH WHICH THE BOARD USES RESOURCES.

(2) THE PERFORMANCE AUDIT SHALL FOCUS ON OPERATIONS RELATING TO LIQUOR INSPECTIONS, LICENSING, DISCIPLINARY PROCEDURES, AND MANAGEMENT OVERSIGHT.

2-1223.

(a) (1) Except as prohibited by the federal Internal Revenue Code, during an examination, the employees or authorized representatives of the Office of Legislative Audits shall have access to and may inspect the records, including those that are confidential by law, of any unit of the State government or of a person or other body receiving State funds, with respect to any matter under the jurisdiction of the Office of Legislative Audits.

(2) In conjunction with an examination authorized under this subtitle, the access required by paragraph (1) of this subsection shall include the records of contractors and subcontractors that perform work under State contracts.

(3) The employees or authorized representatives of the Office of Legislative Audits shall have access to and may inspect the records, including those that are confidential by law, of:

(i) any local school system to perform the audits authorized under § 2-1220 of this subtitle or in accordance with a request for information as provided in § 5-114(d) of the Education Article; [and]

(ii) the Board of Liquor License Commissioners for Baltimore City to perform the audits authorized under § 2-1220(f) of this subtitle; AND

(III) THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY TO PERFORM THE AUDITS AUTHORIZED UNDER § 2-1220(G) OF THIS SUBTITLE.

2-1224.

(a) In this section, "unit" includes:

(1) the Board of Liquor License Commissioners for Baltimore City; AND

(2) THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY.

(b) Except with the written approval of the Legislative Auditor, an employee or authorized representative of the Office of Legislative Audits shall submit any report of findings only to the Legislative Auditor.

(c) (1) On the completion of each examination, the Legislative Auditor shall submit a full and detailed report to the Joint Audit Committee.

(2) A report shall include:

(i) the findings;

(ii) any appropriate recommendations for changes in record keeping or in other conduct of the unit or body that is the subject of the report; and

(iii) any response of that unit or body, subject to procedures approved by the Joint Audit Committee.

(d) The Legislative Auditor shall send a copy of the report to:

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(1) the President of the Senate and the Speaker of the House of Delegates;

(2) the Chairmen of the Senate Budget and Taxation and House Appropriations Committees;

(3) members of the General Assembly, subject to § 2-1246 of this subtitle;

(4) the Governor, unless the report is of the Board of Liquor License Commissioners for Baltimore City **OR THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY;**

(5) the Comptroller;

(6) the State Treasurer, unless the report is of the Board of Liquor License Commissioners for Baltimore City **OR THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY;**

(7) the Attorney General, unless the report is of the Board of Liquor License Commissioners for Baltimore City **OR THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY;**

(8) the unit or body that is the subject of the report;

(9) the Secretary of Budget and Management, unless the report is of the Board of Liquor License Commissioners for Baltimore City **OR THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE'S COUNTY;**

(10) the Executive Director; and

(11) any other person whom the Joint Audit Committee specifies.

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(e) In addition to the requirements of subsection (d) of this section, each report of:

(1) a local school system shall be distributed to the chair of the House Ways and Means Committee and the cochairs of the Joint Committee on the Management of Public Funds; [and]

(2) the Board of Liquor License Commissioners for Baltimore City shall be distributed to the chair of the Baltimore City delegation and the chair of the Baltimore City senators; AND

(3) THE BOARD OF LICENSE COMMISSIONERS FOR PRINCE GEORGE’S COUNTY SHALL BE DISTRIBUTED TO:

(I) THE PRINCE GEORGE’S COUNTY COUNCIL;

(II) THE PRINCE GEORGE’S COUNTY EXECUTIVE;

(III) THE CHAIR OF THE PRINCE GEORGE’S COUNTY HOUSE DELEGATION TO THE GENERAL ASSEMBLY; AND

(IV) THE CHAIR OF THE PRINCE GEORGE’S COUNTY SENATE DELEGATION TO THE GENERAL ASSEMBLY.”

AMENDMENT NO. 5

On page 9, in line 14, strike the first “the” and substitute “:

(a) The”;

in line 17, strike “April 30, 2017” and substitute “the effective date of this Act”; and strike in their entirety lines 18 through 23, inclusive, and substitute:

“(b) A member whose term is terminated under subsection (a) of this section shall continue to serve until a successor is appointed.

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SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) The County Executive shall hire an outside professional consultant on or before September 1, 2017, to review the standard operating procedures of the Board.

(b) In conducting the review, the consultant shall:

(1) compare the standard operating procedures to best practices in the area as well as to the standard operating procedures of other boards of license commissioners throughout the State; and

(2) recommend changes to improve the operation and efficiency of the Board.

(c) The consultant shall submit a report detailing the findings and recommendations to the Prince George's County Executive, the Prince George's County Council, the Prince George's County House Delegation to the General Assembly, and the Prince George's County Senate Delegation to the General Assembly."