

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 1122

(Senator Conway)

Education, Health, and Environmental Affairs

Economic Matters

Alcoholic Beverages - Baltimore City - Transfer of License - Hardship Extension

This bill authorizes the Baltimore City Board of License Commissioners to extend the 180-day period within which an approved alcoholic beverages license transfer must be completed if the license holder or other interested party makes a written request to extend the time authorized to complete the transfer due to hardship. The board may grant the extension if it finds after a hearing that an existing hardship caused the delay in the transfer. An extension may not prolong the period authorized to complete the transfer beyond 270 days after the board approves the transfer.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues may increase by up to \$2,000 in FY 2018 and annually thereafter from additional hardship hearing application fees. Baltimore City can handle any enforcement activity with existing resources.

Small Business Effect: Potentially meaningful to the extent that license holders with a hardship may receive an extension on a license transfer. It is assumed the additional cost of the hardship hearing will be offset by the benefits of any license extension.

Analysis

Current Law: Alcoholic beverages license holders in Baltimore City have 180 days from the closing of the business or cessation of alcoholic beverages business before an alcoholic

beverages license expires unless (1) an application to transfer the license has been approved or is pending; (2) an application to extend the license after the death of a license holder is approved or pending; or (3) 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. Hardship extensions are granted or denied following a hearing, and extensions are valid for up to 360 days, cumulatively.

Local Fiscal Effect: Baltimore City government indicates that approximately 20 alcoholic beverages license holders each year exceed the statutory time limit allotted for license transfers. Accordingly, Baltimore City revenues may increase by up to \$2,000 annually beginning in fiscal 2018. This estimate is based on a \$100 application fee for a hardship hearing and a constant number of extension requests.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 10, 2017
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