

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1087 (Senator Conway)
Education, Health, and Environmental Affairs

Baltimore City - Alcoholic Beverages - Protest of License Renewal

This bill authorizes the Baltimore City Board of License Commissioners to require mediation between an alcoholic beverages license holder and an individual or entity that has filed a protest against an alcoholic beverages license renewal under specified circumstances.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: None.

Local Effect: None. Baltimore City can implement the bill with existing budgeted resources.

Small Business Effect: Potentially meaningful to the extent that license holders must pay mediation fees.

Analysis

Bill Summary: When a protest against the renewal of an alcoholic beverages license is filed at least 30 days before the license expires, the board may require the license holder and protesting parties to participate in mediation before any hearing on the protest and with a mediator selected by the board or the participants. If a required mediation results in an agreement among the license holder and all protesting parties, (1) the protest may be withdrawn or dismissed and (2) the board may approve or deny the license renewal without a hearing. If a required mediation does not result in an agreement among the license holder and all protesting parties, the board must hold the hearing on the protest.

Current Law: There are no provisions under existing law that authorize a local board to require mediation when a protest against a renewal of an alcoholic beverages license arises. Under State law, a protest against a license renewal may be made by a local licensing board on its own initiative or by at least 10 signatories who are:

- residents, commercial tenants who are not holders of or applicants for a license, or real estate owners; and
- located in the immediate vicinity of the licensed premises.

If a protest against renewing a license is filed at least 30 days before the license expires, the local licensing board may not approve the renewal without holding a hearing. The local licensing board must hear and determine the protest in the same manner as it hears and determines an original application.

In Baltimore City, to hear and determine a protest filed against a license renewal, the board must consider only issues with respect to a specific complaint as to the operation of the licensed premises and may not consider zoning issues.

Small Business Effect: The bill requires a license holder and protesting parties against the renewal of an alcoholic beverages license to participate in mediation proceedings if the board so determines. While the bill does not address who pays for mediation services, Baltimore City advises that it is presumed that one or both of the parties involved are responsible for mediation costs, if any. To the extent that there are mediation costs, license holders will likely incur some additional expense if mediation is required.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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