

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 118

(Senator Ferguson)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - Board of License Commissioners - New Licenses, Waivers, and License Transfers

This emergency bill authorizes the Baltimore City Board of License Commissioners to allow the transfer of (1) a Class B-D-7 beer, wine, and liquor (BWL) license from an area in ward 1, precinct 4 to an area in ward 1, precinct 5 and (2) a Class D BWL license from an area in ward 1, precinct 5, to an area in ward 1, precinct 4, as specified. The bill authorizes the board to waive the minimum capital investment and seating capacity requirements for an additional Class B restaurant BWL license, as specified, and extends the expiration of a specified license until July 1, 2019, for the purpose of a transfer.

The bill also authorizes the board to issue a Class D BWL license in the 46th alcoholic beverages district to an applicant who holds or has applied for a Class 9 limited distillery license. A Class D license that is issued under the bill may only be transferred to a holder of a Class 9 limited distillery license.

Additionally, the bill requires that an appointment to the board made when the Senate is *not* in session be subject to the advice and consent of the Senate when the Senate next convenes.

Fiscal Summary

State Effect: None.

Local Effect: Local license fee revenues increase potentially minimally from the issuance of additional Class D BWL licenses specified in the bill.

Small Business Effect: Minimal.

Analysis

Bill Summary: The area in ward 1, precinct 4 is bounded (1) on the north by Elliott Street; (2) on the south by Toone Street; (3) on the east by Southeast Avenue; and (4) on the west by South Robinson Street.

The area in ward 1, precinct 5 is bounded (1) on the north by Fait Avenue; (2) on the south by Hudson Street; (3) on the east by South Streeper Street; and (4) on the west by South Kenwood Avenue.

The bill authorizes the board to waive the minimum capital investment and seating capacity requirement for a Class B restaurant BWL license for an applicant who already holds at least one Class B restaurant BWL license, if the board (1) holds a public meeting at which the board reviews the business practice of the license holder and (2) determines that the license holder is in good standing and has a reputable business practice.

Uncodified language in the bill requires that, notwithstanding existing transfer restrictions into specific areas of Baltimore City, a specified Class D (7-day) beer and light wine license issued for a premises in the 600 block of South Montford Avenue in ward 1, precinct 3 is to be considered unexpired until the end of July 1, 2019, for purposes of being transferred to another owner and location. If the license is not transferred to another owner and location by the end of July 1, 2019, it will be considered to have expired.

Current Law:

License Restrictions in the 46th Alcoholic Beverages District

Generally, the board may not issue a new license in the 46th alcoholic beverages district except for a one-day license or a Class B BWL license for use by a restaurant that meets specified requirements.

License Transfer Restrictions in Wards 1, 23, and 24

Generally, the board may not transfer a license into (1) ward 1, precincts 4 or 5; (2) ward 23, precinct 1; or (3) ward 24, precinct 5, except for one Class D license that may be transferred into the residential planned unit development for Silo Point located in ward 24, precinct 5.

The board may allow the transfer of not more than two Class B BWL licenses, so that the cumulative number of licenses issued or transferred is two, into the area of 829 through 919 E. Fort Avenue, but only if the board executes and enforces a memorandum of understanding between the community associations in Riverside and Locust Point

regarding the nature of the proposed establishment. The board may not allow a license to be transferred out of a specified area on E. Fort Avenue and into any other area in ward 24, precinct 5.

The board may issue an additional Class B restaurant BWL license to an existing holder of the license if the restaurant to be licensed has:

- a minimum capital investment of \$500,000 for restaurant facilities; and
- a minimum seating capacity of 125 individuals.

The minimum capital investment may not include the cost of land or buildings, and the board may not issue more than five licenses to or for the use of the same person. Additional licenses must be limited to providing alcoholic beverages for on-premises consumption.

Appointments to the Baltimore City Board of License Commissioners

The mayor must appoint two regular members to the board and the president of the city council must appoint one regular member and one substitute member to the board. The appointments must be made with the advice and consent of the Senate if the Senate is in session or, if the Senate is not in session, by the mayor or the president of the city council alone.

Additional Information

Prior Introductions: None.

Cross File: Although HB 151 (Delegate Clippinger - Economic Matters) is designated as a cross file, the bills are not identical.

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

Fiscal Note History: First Reader - February 15, 2018
mag/tso Third Reader - March 15, 2018
Revised - Amendment(s) - March 15, 2018
Enrolled - May 7, 2018
Revised - Amendment(s) - May 7, 2018

Analysis by: Michelle Davis

Direct Inquiries to:
(410) 946-5510
(301) 970-5510