

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 959

(Delegate Mosby, *et al.*)

Economic Matters

Education, Health, and Environmental Affairs

Baltimore City – Alcoholic Beverages – License Renewals and Adult
Entertainment

This bill authorizes the Baltimore City Board of License Commissioners to consider, when determining whether to renew an alcoholic beverages license and/or whether to attach any conditions on a renewed license, the performance of the license holder during the four-year period preceding the renewal application date. In addition, the bill prohibits the board or a specified license holder who offers adult entertainment from allowing an individual younger than age 21 to enter the licensed establishment unless the individual is an employee, an agent, or a contractor of the establishment or an active duty member of the U.S. Armed Forces. A license holder who violates this provision is subject to license revocation and/or a fine. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: None.

Local Effect: Enforcement can be handled with existing resources. Potential minimal increase in Baltimore City revenues from expanded application of an existing penalty provision.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill's adult entertainment provisions apply to a license holder who offered adult entertainment as of May 31, 1993, or the transferee of the license for the same premises if the transferee continues to offer adult entertainment.

Current Law:

License Renewal

Generally, in the State, an alcoholic beverages licensee must, in order to renew a license, file a written application with the local licensing board that states whether the facts in the original application have changed and, if so, in what manner. A local licensing board generally must consider an application for the renewal of an alcoholic beverages license in the same manner as for an original application. A local licensing board generally must deny a renewal application if it determines that the licensee is not qualified to obtain a license renewal but must renew a license for which the licensee is qualified.

A protest against a license renewal may be made by (1) at least 10 signatories who are residents, commercial tenants, or real estate owners located in the immediate vicinity of the licensed premises, as specified, or (2) the local licensing board, on its own initiative. If a specified protest is filed at least 30 days before the expiration of the license, 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, 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.

Adult Entertainment Restrictions in Baltimore City

With specified exceptions, the board may not authorize and a license holder may not allow adult entertainment, as defined under § 12-2102 of the Alcoholic Beverages Article, on the licensed premises or on adjacent property over which the license holder has ownership or control. The prohibition does not apply to a license holder who offered adult entertainment as of May 31, 1993, or a transferee of the license for the same premises if the transferee continues to offer adult entertainment. For a violation, the board must revoke or suspend the license and/or impose a fine. The Mayor and City Council of Baltimore City may authorize the board to enforce the laws and regulations of the city that govern adult entertainment business licenses.

Generally, in the State, such entertainment is prohibited on a licensed premises, and a violation subjects a license holder to license revocation.

Background: According to the Comptroller's Office, in fiscal 2018, there were 1,221 alcoholic beverages licenses issued in Baltimore City. Baltimore City advises that the bill's adult entertainment provisions affect 27 establishments.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 14, 2019
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