

HON. ALBERT J. MATRICCIANI, JR. (RET.)
CHAIRMAN

COMMISSIONERS
AARON J. GREENFIELD, ESQ.

ALTERNATE COMMISSIONER
HARVEY E. JONES



DOUGLAS K. PAIGE
EXECUTIVE SECRETARY

THOMAS R. AKRAS, ESQ.
DEPUTY EXECUTIVE SECRETARY

STACI L. RUSSELL
ASSISTANT EXECUTIVE
SECRETARY

STATE OF MARYLAND
BOARD OF LIQUOR LICENSE COMMISSIONERS

FOR BALTIMORE CITY
1 N. CHARLES STREET, SUITE 1500
BALTIMORE, MARYLAND, 21201-3724
PHONE: (410) 396-4377
FAX: (410) 396-4382

February 17, 2020

The Honorable Derek Davis
Chairman
House Economic Matters Committee
Maryland House of Delegates
House Office Building, 6 Bladen Street
Annapolis, Maryland 21401

Re: HB924 – Baltimore City – Alcoholic Beverages– Distance Restrictions, Extension Fee, and Class D License

Chairman Davis,

On behalf of the Board of Liquor License Commissioners for Baltimore City (BLLC) I respectfully request an unfavorable report, concerning the provisions outlined below, from the Baltimore City Delegation HB924 – Baltimore City – Alcoholic Beverages– Distance Restrictions, Extension Fee, and Class D License.

The Board of Liquor License Commissioners oppose the following provisions in HB 924:

1. Fee Waiver: On page 2, lines 7-10, House Bill 924 provides a fee waiver to a 501(c)(3) non-profit entity located in the 46th Legislative District for temporary license extensions issued to license holders. A temporary license extension is a privilege issued to a license holder on a one-day basis that allows them to “extend” their alcoholic beverage service to exterior designated space. These extensions are used by license holders for festivals, pub crawls, or similar events where public streets are closed and license holders desire to sell in that designated space. The cost for a one-day extension is \$200 per day per license holder. In FY19, the BLLC collected approximately \$84,700 in revenue related to temporary license extensions. 97% of the revenues generated from temporary license extensions came from the 46th Legislative District. \$17,400 of those revenues were associated with a 501(c)(3) non-profit entity. If passed, in current form, the BLLC would lose approximately \$15-17,000 of revenue generated from temporary license extensions per year while still maintaining the public safety obligation to adequately resource these

events. In addition, an unintended consequence is a possible cottage industry for non-profits to partner with licensees in making application for temporary license extensions, thereby eliminating this entire revenue source for the BLLC and exacerbating the need to have appropriate levels of staff. These monies fund the overtime for inspectors to conduct inspections and monitor these events, which are often held on weekends and during the evening. Regardless of whether the BLLC receives the revenue or not we are still tasked with responding to and monitoring these events, with crowds that can range anywhere from 500-3000 people.

On February 14, 2020 during the Baltimore City Delegation Meeting, the Delegation voted to amend this bill to allow any Baltimore City authorized "Main Street" program to be eligible for the fee waiver. While the BLLC's concern regarding the impact on its revenue stream remains unabated, it is amenable to language that would limit the application of the fee waiver for temporary license extensions to Baltimore City authorized "Main Street" program whose events does not exceed 750 attendants.

2. Food Service: On page 4, beginning on line 29, this bill would provide Class D Beer, Wine, Liquor licensees with the ability to provide food service on Sundays. Under a recent interpretation provided by the Attorney General's office, Alc. Bev. Art. 12-2007(b) currently allows for this practice, provided the licensee submits a request in writing to the Board. Accordingly, additional language to the law would be considered superfluous to the authority already vested with the Board.

On February 14, 2020 during the Baltimore City Delegation Meeting, the Delegation voted to amend this bill to eliminate the language regarding the Class D Beer, Wine, and Liquor license. If the amendment to eliminate this language has been incorporated into this bill, then the BLLC will withdraw its object to this provision of the bill.

The BLLC has no position on any other provisions of the bill that amend Alc. Bev. Art. 12-1605.

For the reasons above, the BLLC opposes the passage of HB924 – Baltimore City – Alcoholic Beverages– Distance Restrictions, Extension Fee, and Class D License.

Thank you for the opportunity to submit this written testimony.

Sincerely,



Albert J. Matricciani, Jr.
Chairman
Board of Liquor License Commissioners
For Baltimore City