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THE SENATE OF MARYLAND Annapolis, Maryland 21401

Testimony of Senator Hayes in Support of Senate Bill 847: Baltimore City – Alcoholic Beverages – Violation Procedures and Fines

February 24, 2023

Chair Griffith and members of the Finance Committee

Senate Bill 847 is a bill that would implement an idea that is based on the experience of the Liquor Board working in participation with several other City agencies in various Task Forces. Another task force the Liquor Board is a part of, is the weekly Multi-Agency Task Force, which Mayor Scott implemented shortly after taking office. It's from this experience that the idea behind this bill was born, which is "How Can the Liquor Board be more effective in helping our City be a safer and cleaner place?"

This bill tries to make that happen in two ways:

First, the simple change—SB 847 raises the maximum fine that the Board can impose for a violation from \$3,000 to \$20,000. Why \$20,000? Because that is the maximum fines that exist in Montgomery County, which is the City's closest peer in terms of number of licenses.

Second, the Administration and the Liquor Board have been working very hard to figure out how the Liquor Board might be able to have a greater positive impact throughout the City without overburdening its hearing dockets and the staff time it takes to put a docket together. The problem the City is trying to solve is thinking about how the Liquor Board can separate its lower level violations so that the Board's hearing time can be reserved for the more serious matters they enforce.

After working in conversations with attorneys at the Attorney General, the City Law Department, and in discussions with other County Liquor Boards around the State, the resulting idea is what's in the bill. And that's what's called the "Offer of Compromise".

How this would work

This will be similar to how this currently works in Montgomery County.

- 1. The Board will review the violation report and determine if an offer of compromise is proper.
- 2. If so, they will send to the licensee with a choice to:
 - a. Accept the offer, in which case the licensee will:
 - i. Voluntarily waive their right to a hearing
 - ii. Admit to the facts of the violation as alleged;
 - iii. Take the corrective actions prescribed by the Board; and
 - iv. Pay the monetary penalty offered; or
 - b. The licensee can ALWAYS refuse to accept the offer and they will then appear before the Board as all cases currently go.
- 3. Upon receipt of the accepted offer, the Board would then:
 - a. Put the record of the violation and the offer in the licensee file;
 - b. Issue a written finding that the offer does not impair the promotion of the peace or safety of the community;
 - c. State the acceptance of the offer on the record at a hearing of the Board; and
 - d. Post the result in the place it normally posts hearing results so that the public can see.

For these reasons, I urge you to vote favorably on Senate Bill 847.

Respectfully,

Senator Antonio L. Hayes

40th Legislative District – MD

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