

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 792

(Senator Hayes)

Education, Health, and Environmental Affairs

Economic Matters

Baltimore City - Alcoholic Beverages - Related Event Promoter's Permit

This bill authorizes the Baltimore City Board of License Commissioners to issue a related event promoter's permit that authorizes an individual, for-profit organization, or nonprofit organization and a participating license holder to conduct a social event related to and around the same time and location as the basketball tournament of the Central Intercollegiate Athletic Association (CIAA). The bill specifies requirements, restrictions, fees, and penalties applicable to the permit and authorizes the board to adopt regulations establishing requirements for conducting and providing public notice of a specified related event. **The bill takes effect July 1, 2019, and terminates June 30, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Potential increase in Baltimore City expenditures in FY 2021 through 2023 for monitoring and enforcement activity. Baltimore City revenues increase minimally in FY 2021 through 2023 from application and permit fees to the extent permits are issued under the bill.

Small Business Effect: Potentially meaningful for a small business that obtains a permit under the bill.

Analysis

Bill Summary: A "related event promoter" is an individual, for-profit organization, or nonprofit organization that promotes a social event related to and around the same time and location as the CIAA Basketball Tournament.

A “related event” is an event in which a license holder participates in a coordinated promotion with a third-party promoter to sell or provide alcoholic beverages during a specified time, and at which at least 75 individuals are reasonably expected to attend. A related event includes an event for which tickets are sold to the public, including a concert, an entertainment event, a happy hour, or a party.

Permit Process: A related event promoter or participating license holder on behalf of a promoter must apply for a related event permit from the board before the related event promoter may publicize, sell tickets for, organize, operate, produce, or stage a related event. A holder of a State caterer’s license must obtain a Class C per diem beer, beer and wine (BW), or beer, wine, and liquor (BWL) license from the board before the holder may act as a participating license holder at a related event. The board may grant a permit to an applicant who (1) submits an application at least 90 days before the date of the related event; (2) obtains written consent from a designee of Visit Baltimore; and (3) if applicable, obtains a special event permit from the Baltimore City Department of Transportation. A completed application must (1) be dated and notarized; (2) be signed by each participating license holder; (3) list each premises for which the related event will be held; and (4) include any other document that the board requires. An individual need not be a resident of or registered voter in Baltimore City in order to be eligible for the permit.

Within 14 days of receipt of a permit application, the board must grant or deny the permit or request additional information from the applicant. A permit may not be altered within 30 days before the scheduled related event.

Permit Fees: The application fee for a permit is \$50. The permit fee is \$500 (if 75 to 299 individuals are reasonably anticipated to participate) or \$1,500 (if at least 300 individuals are reasonably anticipated to participate).

Penalties for Violations: For the offense of publicizing, selling tickets for, organizing, operating, producing, facilitating, or staging a related event with the knowledge or reason to know that a related event promoter’s permit has not been obtained, the board must impose a fine of at least \$1,000 and up to \$3,000 and/or suspend the license. The board may not, for at least one year, grant a related event promoter’s permit to a person who violates the permit requirement.

For a violation of the bill’s requirement that a State caterer’s licensee obtain a Class C per diem license before acting as a participating license holder at a related event, the Comptroller must impose a fine of at least \$1,000 and up to \$3,000 and/or suspend the State caterer’s license.

Current Law: State law authorizes local boards of license commissioners to issue special alcoholic beverages licenses for use during specified periods. Chapter 644 of 2016

authorized the board to issue a similar pub crawl promoter’s permit, which authorizes an individual, for-profit organization, or nonprofit organization and participating license holders to conduct a “pub crawl.”

In addition, the board issues Class C per diem licenses, which authorize the sale of alcoholic beverages at events conducted by clubs. In Baltimore City, the fee for a Class C per diem beer or BW license is \$25 per day, and the fee for a Class C per diem BWL license is \$50 per day.

Background: In January 2019, the CIAA Board of Directors announced the selection of Baltimore as the host city for the 2021 through 2023 CIAA Men’s and Women’s Basketball Tournament.

Local Fiscal Effect: Baltimore City expenditures may increase in fiscal 2021 through 2023 to the extent that events conducted under the related event promoter’s permit require significant additional monitoring and enforcement activity. Baltimore City advises, however, that the impact of the bill on Baltimore City operations and expenditures depends on various factors, including the number, size, location, and timing of events conducted under the related event promoter’s permit, which cannot be predicted.

Additional Information

Prior Introductions: None.

Cross File: HB 1319 (Delegate Glenn) - Rules and Executive Nominations.

Information Source(s): Baltimore City; Central Intercollegiate Athletic Association; Department of Legislative Services

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Analysis by: Elizabeth J. Allison

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