

Department of Legislative Services  
Maryland General Assembly  
2024 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

Senate Bill 22  
Finance

(Senator Hayes)

Economic Matters

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**Baltimore City - Alcoholic Beverages - Board of License Commissioners**

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This bill requires the Governor, instead of the Mayor of Baltimore City and/or the President of the Baltimore City Council to appoint, fill a vacancy, and remove members of the Baltimore City Board of License Commissioners, as specified. The bill also clarifies that members of the board are subject to State ethics laws and specifies that the executive secretary and deputy executive secretary of the board may qualify for these positions if they have served in Baltimore City government for a minimum of five years immediately preceding their appointment instead of the existing city residency requirement. **The bill takes effect July 1, 2024. The provisions related to the executive secretary and deputy executive secretary of the board terminate June 30, 2026.**

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

**Local Effect:** The bill does not materially affect Baltimore City operations or finances.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The bill requires the Governor, instead of the Mayor of Baltimore City and/or the President of the Baltimore City Council:

- to appoint three regular members and one substitute member to the board, as specified;

- to consider the need for geographic, political, racial, ethnic, cultural, and gender diversity when evaluating an applicant for membership on the board;
- to fill a vacancy on the board that occurs during the term of office of a board member; and
- to remove members of the board, as specified.

The bill specifies that (1) a member of the board is subject to the conflict of interest rules of the State Ethics Commission, instead of the Baltimore City Board of Ethics; and (2) a member or employee of the board must comply with the public ethics laws of the State, instead of the city, and the financial disclosure requirements set by the State Ethics Commission, instead of the mayor and city council.

### **Current Law:**

#### *Appointments and Removal of Board Members*

The Baltimore City Board of License Commissioners consists of three regular members and one substitute member, who may serve if any regular member is absent or recused. The mayor must appoint two regular members to the board, and the city council president must appoint one regular member and one substitute member to the board. The appointments to the board must be made with the advice and consent of the Senate. Appointments made by the mayor or city council president when the Senate is not in session, are subject to the advice and consent of the Senate when the next Senate convenes.

When evaluating an applicant for membership on the board, the mayor and the city council president must consider the need for geographic, political, racial, ethnic, cultural, and gender diversity on the board. The mayor or the city council president must appoint an eligible individual to fill a vacancy on the board and may remove a member for misconduct in office, incompetence, or willful neglect of duty, as specified.

#### *Executive Secretary and Deputy Executive Secretary of the Board*

The executive secretary and deputy executive secretary of the board must be (1) residents of the city; (2) of high character and integrity; and (3) employed on the basis of their executive skill and experience. To the extent practicable, all other employees of the board must be residents of the city.

#### *Conflicts of Interest – Baltimore City Board of Ethics*

A member of the board may not (1) have a direct or indirect interest in or on a premises in the State where alcoholic beverages are manufactured or sold or in a business wholly or partly devoted to the manufacture or sale of alcoholic beverages in the State or (2) own

stock in a corporation that has a direct or indirect interest in a premises in the State where alcoholic beverages are manufactured or sold or in a business wholly or partly devoted to the manufacture or sale of alcoholic beverages in the State.

A board member is prohibited from soliciting or receiving a commission, remuneration, or gift from a person engaged in the manufacture or sale of alcoholic beverages, an agent or employee of the person, or a license holder.

A member of the board who applies for government employment that poses a conflict of interest as determined by the Baltimore City Board of Ethics must resign from the board by a letter addressed to the Governor. A member or employee of the board must comply with the public ethics laws of the city and the financial disclosure provisions enacted by the mayor and city council.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 1464 (Delegate Amprey) - Rules and Executive Nominations.

**Information Source(s):** Baltimore City; Governor's Office; State Ethics Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - February 20, 2024  
rh/tso Third Reader - March 21, 2024  
Revised - Amendment(s) - March 21, 2024

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