August 30, 2013

Douglas F. Gansler, Attorney General
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 303
Annapolis, Maryland 21404-0466

Dear Attorney General Gansler:

The Office of Legislative Audits recently conducted a performance audit of the Board of Liquor License Commissioners for Baltimore City. The final report was issued March 2013. The legislative audit team has requested that the Board obtain an opinion from your office regarding certain findings. We would greatly appreciate your opinion on the following matters:

Finding 6: BLLC did not always ensure that license transfers were completed within 180 days of receiving Board approval.

The auditors recommended that the agency obtain an opinion from the Attorney General regarding the interpretation of the law governing completion of license transfers within 180 days.

Current agency practice is, if necessary, to give the applicant additional time to complete the transfer. Once the transfer is complete, the license would become active. The Board is seeking an opinion as to what action it can take when a license transfer has not been completed within the 180 days as specified in Article 28, Section 10-504(d)(4).
Finding 17: BLLC used alternatives to the Board hearing process to address violations and infractions and the Board had not formally approved these alternatives.

The auditors recommended that the agency obtain a formal opinion from the Attorney General to determine if BLLC management has the legal authority to use alternative processes to address licensee violations and infractions.

Current practice is that first time violators have been allowed to pay a fine or an administrative fee in lieu of a hearing; in-house conferences were held for violations of minor infractions or for transfers where the establishment is currently open and operating and are only changing licensees. These procedures were intended to dispense with the less serious or complicated matters in-house so that the public hearings (which occasionally run late into the evening) could focus on more complex issues.

Finding 20: Certain Board hearing practices may not comply with the Open Meetings Act.

The auditors acknowledged that certain Board hearing practices do not appear to comply with the Open Meetings Act, but those administrative actions of the Board can be appealed to the Circuit Court and, therefore, are considered quasi-judicial in nature. Quasi-judicial functions, by law, are generally not subject to the Open Meetings Act. The Auditors recommended the agency obtain written advice from the Office of the Attorney General over what Board hearing actions are subject to the minutes provisions of the Open Meetings Act.

Current agency practice is that, prior to a hearing; the agency prepares a long docket that has the details of each case. At the conclusion of the hearing, the disposition of the case is added to the document along with any additions or corrections. There is no formal approval of the document. Is this procedure in compliance with the Open Meetings Act?

The Board thanks you in advance for your opinion on these issues raised by the legislative audit team. If you need further information or clarification, please feel free to contact me at 410-396-4381.

Very truly yours,

[Signature]

Douglas K. Paige
Acting Executive Secretary