>	T	AME &	Dr. Jason W. Mitchell, Director	CITY of	ON BALL
0	AG NA ADI		Department of Public Works 600 Abel Wolman Municipal Building	BALTIMORE	BALTIMORE BALTIMORE
<u> </u>		BJECT	City Council Bill 23-0347	MEMO	1797

March 20, 2023

TO:

Rules and Legislative Oversight Committee

I am herein reporting on City Council Bill 23-0347 introduced by Council members Dorsey, Burnett, Cohen, Ramos, Bullock, Porter, Conway, and Torrence.

The purpose of the Bill is to create the Department of Business Licensing and Consumer Protection as an independent agency; provide for the leadership and staffing of the Department and establish its purpose, powers, and duties; create the Commission on Business Licensing and Consumer Protection and its membership; establish the purpose, powers, and duties of the Commission; transfer the administration of certain business licenses to the Department; repeal certain obsolete Boards; provide for a special effective date; and generally relating to business licensing and consumer protection.

City Council Bill 23-0347 would establish a new Department of Business Licensing and Consumer Protection that would have under its jurisdiction the consolidated licensing and enforcement responsibilities for certain business licensure and consumer protections provided for in the Baltimore City Code. The Director would be appointed by the Mayor, subject to confirmation by the City Council, and would be required to establish rules and regulations to carry out the provisions of this Subtitle (according to the Administrative Procedure Act). An annual report detailing the activities of the Department (for the prior year), including any recommended legislative or policy actions to regulate business licensure and consumer protections, would be due on or before June 30 of each subsequent year. The Department would administer business licenses and permits, inspect the businesses holding these licenses and permits, investigate claims of unfair, abusive, or deceptive business practices, enforce the business licensing and consumer protection provisions, and conduct administrative hearings on contested business licensing enforcement actions under a newly established Baltimore City Business Licensing and Consumer Protection Board. The Department would be able to set licensing fees (to be approved by the Board of Estimates), issue civil citations, issue summonses and subpoenas during an investigation, and refer to the appropriate agency information concerning a violation of

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a consumer protection law that is under another agency's jurisdiction.

The Department would assume control over the following Code provisions:

- Article 2 {Consumer Protection}, except for the Cable Communications Advisory Commission, Food Distribution, Laundries and Dry Cleaners, Automated Purchasing Machines, Real Estate Practices, and Ticket Sales Subtitles;
- Subtitle 13 Licensing of Peep Show Establishments of Article 13 {Housing and Urban Renewal}; and
- Article 15 {Licensing and Regulations}, except for the Garage and Lawn Sales, Hotels, Newspaper Vending Boxes Downtown, Third Party Food Delivery Platforms, Miscellaneous, Licensing of Convicted Drug Offenders, Human Trafficking Notice Requirements, Public Restrooms, Administration and Enforcement, Penalties, and Short-Term Residential Rentals Subtitles.

In reviewing City Council Bill 23-0347 and the proposed provisions to be transferred under the purview of the Department of Business Licensing and Consumer Protections, none appear to impact this Department's operations or assigned enforcement responsibilities. The Department of Public Works could be referred a complaint from the Department of Business Licensing and Consumer Protections that was not under that Department's jurisdiction [§42-28(B)(1) on page 11, line 21 of the Bill], or be asked to assist the Department's and Board's respective duties under this Subtitle [§42-39(B) on page 15, line 24 of the Bill].

The Department of Public Works asks whether an error was made regarding §42-29(A)(3) that appears on page 12, line 24 of the Bill. This section states that once the Director substantiates an allegation in a complaint, one of the actions the Director may take is to issue an environmental citation. The Department of Business Licensing and Consumer Protections, however, would employ Special Enforcement Officers who may issue civil citations but not environmental citations. According to ART. 1, §40-7(c)(1) of the Code, an environmental citation can only be issued by a Code Enforcement Officer and administratively adjudicated by the Environmental Control Board [ART. 1, §40-9(a)]. Any penalties to be applied to the substantiated allegation would need to be enumerated under ART. 1, §40-14(e)(.5).

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The Department of Public Works is not directly impacted by City Council Bill 23-0347 and therefore has no objection to the creation of a Department of Business Licensing and Consumer Protections, with the proviso that the question of whether that Department has the ability to issue environmental citations is resolved.

Dr. Jason W. Mitchell Director

JWM/MMC