

**Department of Legislative Services**  
Maryland General Assembly  
2025 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

Senate Bill 284  
Finance

(Senator McCray)

Economic Matters

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**Baltimore City - Alcoholic Beverages - Hours of Operation Violations - Civil Penalties**

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This bill establishes penalties that the Baltimore City Board of License Commissioners must impose on a holder of an alcoholic beverages license for the offense of operating outside of the hours of operation specified in statute for the license without first obtaining an exemption from the board. For a first offense, the board must impose a fine of at least \$1,000 or suspend the license or both. For a second or subsequent offense, the board must impose a fine between \$2,000 and \$20,000 or suspend the license or both. **The bill takes effect July 1, 2025.**

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Baltimore City revenues increase beginning in FY 2026 to the extent fines are imposed under the bill. Baltimore City expenditures are not affected.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Generally, a licensed premise must end all operations, including the serving of alcoholic beverages and food and providing entertainment, at the closing hour for that class of licensed premises. The board may grant an exemption for remaining open after hours to a holder of a Class B restaurant license, only for serving food to patrons seated for dining, a pharmacy that fills prescriptions, or a holder of a Class D beer, wine, and liquor license that operates a restaurant, if (1) it is used only for serving food to patrons seated in

a dining room that is not adjacent to a bar and (2) the restaurant is located in the 46th legislative district in the Legislative Districting Plan of 2022.

A hotel that holds a Class B license and that serves food to seated customers or for private functions or guest rooms may continue to provide food service. Additionally, the board may waive the requirement that a dining room not be adjacent to a bar.

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### **Additional Information**

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

**Designated Cross File:** None.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2025  
km/tso Third Reader - March 7, 2025

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