

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

House Bill 1450  
Economic Matters

(Delegate Love)

Education, Health, and Environmental Affairs

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**Anne Arundel County - Alcoholic Beverages - Class B-LSH License**

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This bill authorizes the Anne Arundel County Board of License Commissioners to issue a Class B-LSH (limited service hotel) beer and light wine license for use in a hotel that contains more than 100 rooms and operates a kitchen licensed as a food service facility. The Class B-LSH license authorizes the licensee to sell beer and light wine in containers to registered guests. Registered guests are authorized to consume these alcoholic beverages in their room and take unopened containers from the hotel premises. The license fee is \$2,000.

The bill takes effect June 1, 2004.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Anne Arundel County revenues would increase by \$2,000 for each Class B-LSH license issued. Expenditures would not be affected.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Anne Arundel County is authorized to issue Class B beer and light wine licenses to hotels and restaurants for the sale and consumption of alcoholic beverages on the premises or elsewhere. The annual license fee is \$400.

**Background:** Limited service hotels are establishments that cater to business travelers and vacationing families who generally stay at the hotel for at least a week. Limited service hotels usually only serve a continental breakfast, but typically have larger living quarters with cooking facilities. They also generally have small shops that sell food and beverages, toiletries, and other frequently used commodities.

The limited service hotel category has been one of the fastest growing segments of the hotel industry for the past decade. Anne Arundel County advises that many limited service hotels have been established in areas around Arundel Mills Mall, BWI Airport, and the portion of the Baltimore Beltway (I-695) in the county.

**Local Fiscal Effect:** Anne Arundel County advises that it has identified approximately 20 hotels that would be eligible to obtain a Class B-LSH (limited service hotel) beer and light wine license. The county further advises that it anticipates any limited service hotel in the county to seek and to be issued a Class B-LSH license. For illustrative purposes only, assuming the county issues 20 Class B-LSH licenses, county revenues would increase by \$40,000 annually. The county advises that monitoring the Class B-LSH licensees could be handled with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Anne Arundel County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 11, 2004  
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