

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 864

(Anne Arundel County Delegation)

Economic Matters

Education, Health, and Environmental Affairs

Anne Arundel County - Alcoholic Beverages Licenses - Baltimore-Washington
International Airport

This emergency bill authorizes a sublessee to obtain an airport concessionaire license in Anne Arundel County. The bill also provides that any lessee, sublessee, or concessionaire at BWI Airport may hold an airport concessionaire license for multiple locations within the terminal building at BWI Airport even if the person already holds one or more alcoholic beverages licenses of any other type issued by the Anne Arundel County Board of License Commissioners. The annual license fee is \$5,000 and the annual fee for each additional location where alcoholic beverages may be sold is \$5,000.

Fiscal Summary

State Effect: None.

Local Effect: Anne Arundel County revenues would increase by \$5,000 for each airport concessionaire license issued for BWI Airport and by \$5,000 for each additional location where alcoholic beverages are sold at the airport.

Small Business Effect: None.

Analysis

Bill Summary: The bill also provides that the board may issue a second airport concessionaire license for a leased premises or concessionaire space that is already licensed at BWI Airport as of March 1, 2004 to maintain service during a transition involving different licensees; however, the first airport concessionaire license must expire when the privileges of the second are exercised. The board is required to: (1) give

precedence to an existing airport concessionaire licensee who is applying for an additional airport concessionaire license over all other license applications; and (2) to hold a hearing on the application at the board meeting that immediately follows the receipt of the application.

The bill does not apply to duty-free shops at BWI Airport.

Current Law: There is an airport concessionaire license in Anne Arundel County. An individual, association of individuals, or a corporation which is a lessee or concessionaire at any airport, without further residential, voting, or locative qualification, may procure a license for the sale of any and all alcoholic beverages within the confines of the airport terminal buildings. The annual license fee is \$5,000.

Generally, except in specified circumstances, no more than one alcoholic beverages license may be issued to the same premises.

Background: Five airports are located in Anne Arundel County: BWI, Deep Creek, Miller, Suburban, and Tipton. Only BWI Airport provides concessionaire services.

BWI Airport has undergone an extensive expansion and renovation in recent years. Anne Arundel County indicates that management of retail space at BWI Airport is being doubled and a new management model is being implemented that allows for multiple ventures, including sublessees, to operate food and beverage concessionaire services at BWI Airport.

Local Fiscal Effect: Anne Arundel County advises that only one vendor has held an airport concessionaire license at BWI Airport for food and beverage concessionaire services over the last 30 years. The vendor paid an annual fee of \$5,000 for the airport concessionaire license in fiscal 2004.

The county further advises that it expects up to 10 locations that would sell alcoholic beverages under the new management model and expanded food and beverage operations at BWI Airport. Accordingly, Anne Arundel County could generate \$50,000 in revenues in fiscal 2005 for 10 locations at BWI Airport where alcoholic beverages are sold. The net impact to the county would be an increase of \$45,000 in revenue annually beginning in fiscal 2005. The county advises that monitoring the additional airport concessionaire licenses at BWI Airport could be handled with existing resources.

Additional Information

Prior Introductions: None.

Cross File: SB 488 (Senators Jimeno and DeGrange) – Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 26, 2004
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