



February 27, 2009

Dear Delegate:

On behalf of the Anne Arundel County members of the *Restaurant Association of Maryland*, I am writing to express our serious concerns regarding House Bill 1304 (Anne Arundel County - Alcoholic Beverages Act of 2009).

As a matter of policy, we generally do not take positions on local bills out of respect to the long-standing tradition of "local courtesy." For this reason, we took no position during the bill hearing on HB 1304. However, the unique circumstances surrounding this issue warrant that we at least share our concerns with the Delegation.

The current recession has undoubtedly taken a toll on many business sectors. However, the restaurant business has been hit particularly hard. With razor-thin profit margins of between four and six percent, the success of our businesses is based on customer volume. When that volume decreases, cash flow becomes a primary concern. Any increase in the cost of doing business is suddenly compounded by other factors.

Last year, Anne Arundel County successfully pushed legislation through the General Assembly that exempted the county from the statutory \$300 cap for foodservice facility license fees. As a result, foodservice license fees in the county jumped an unprecedented 97 percent this year! On top of that, HB 1304 asks that we also swallow a 20 percent across-the-board increase in liquor license fees?

While we certainly understand that the enforcement duties of the Anne Arundel County Board of License Commissioners are completely self-funded, the timing of this proposed increase could not be worse for our industry.

We defer to the judgment of the Delegation on this issue. However, we would be remiss if we did not at least express our concerns. If you have questions or need additional comments, please do not hesitate to contact me.

Sincerely,

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