

**Department of Legislative Services**  
Maryland General Assembly  
2023 Session

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

House Bill 644

(Frederick County Delegation)

Economic Matters

Finance

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**Frederick County - Alcoholic Beverages Licenses - Golf Simulator Facility**

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This bill establishes a Class B-GSF (golf simulator facility) alcoholic beverages license in Frederick County and authorizes the Frederick County Board of License Commissioners to issue a license for use by a golf simulator facility that is open to the public; features at least five golf simulator bays; and has accommodations that are predominantly dedicated to golf simulator bays and seating for those bays. The license authorizes the licensee to sell beer, wine, and liquor for on-premises consumption so long as the licensee offers food on-site at all times when alcoholic beverages are being sold. The annual license fee is \$1,500. **The bill takes effect July 1, 2023.**

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Frederick County revenues increase to the extent the board issues Class B-GSF licenses under the bill. Frederick County can handle any additional enforcement activity with existing resources.

**Small Business Effect:** To the extent that golf simulator facilities currently operate in Frederick County, a facility that obtains an alcoholic beverages license may realize additional revenues as a result of being able to sell beer, wine, and liquor on site. Moreover, by offering a new avenue for golf simulator facilities to generate revenues, the bill may incentivize a small business to open such a facility in the county.

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## Analysis

**Bill Summary:** An applicant for a Class B-GSF license must submit a floor plan or layout of the proposed licensed premises to the board. The floor plan or layout must illustrate that the proposed licensed premises is predominantly dedicated to golf simulator bays and has seating dedicated to those bays.

Additionally, the bill specifies that a licensee's annual gross sales from alcoholic beverages must not exceed 35% of the licensee's annual gross sales. Golf simulator bay rental fees and food sales must comprise, respectively, at least 50% and 15% of the licensee's annual gross sales. Before the board may renew a Class B-GSF alcoholic beverages license, the licensee must provide the board with an annual gross sales report showing that the licensee has met the specified minimum gross sales percentages for golf simulator bay rental fees and food sales and stayed under the specified maximum gross sales percentage for alcoholic beverages.

**Current Law:** In Frederick County, the board is authorized to issue specified alcoholic beverages licenses, if certain conditions are met, for use by a range of different venues. Examples of such venues include art galleries engaged in the display and sale of original artwork; barbershops and beauty salons; cinemas; country and golf clubs; dinner theaters; hotel lobbies; municipal golf courses; and stadiums.

**Local Fiscal Effect:** Frederick County advises that at least one small business is interested in applying for the Class B-GSF license. The annual license fee for a Class B-GSF license is \$1,500, and there is an initial application fee of \$750. Accordingly, Frederick County revenues increase by \$2,250 in fiscal 2024 for each new license issued and \$1,500 annually thereafter for each license renewal.

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## Additional Information

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

**Designated Cross File:** None.

**Information Source(s):** Frederick County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 16, 2023  
rh/tso Third Reader - March 20, 2023

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