

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 989

(Frederick County Delegation)

Economic Matters

Finance

Frederick County – Alcoholic Beverages – Miniature Golf Course License

This bill establishes a Class B-MGC (miniature golf course) beer, wine, and liquor license in Frederick County and authorizes the Frederick County Board of License Commissioners to issue the license for use at a miniature golf course that is open to the public; features at least 18 holes; and has accommodations that are predominantly dedicated to miniature golf. The license authorizes the licensee to sell beer, wine, and liquor for on-premises consumption – during normal business hours – as 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.**

Fiscal Summary

State Effect: None.

Local Effect: Frederick County revenues increase by \$1,500 beginning in FY 2024 due to the issuance of one new Class B-MGC license under the bill. Frederick County can handle any additional enforcement activity with existing resources.

Small Business Effect: Miniature golf courses in Frederick County that obtain an alcoholic beverage license may realize higher revenues as a result of being able to sell beer, wine, and liquor on site.

Analysis

Bill Summary: The bill specifies that a licensee's annual sales from alcoholic beverages may not exceed 35% of the licensee's annual gross sales. Miniature golf games 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-MGC beer, wine, and liquor license, the licensee must provide the board with an annual gross sales report showing that the licensee has met the specified minimum sales percentages for miniature golf games and food sales and stayed below the specified maximum sales percentage for alcoholic beverages.

Current Law: In Frederick County, the board is authorized to issue specified alcoholic beverage licenses, if certain conditions are met, for use by a range of different venues. Examples include the following: 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 estimates that one business will apply for the license. Accordingly, Frederick County revenues increase by \$1,500 beginning in fiscal 2024 from license fee revenues.

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 15, 2023
km/tso
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