Ohio Legislative Service Commission

Bill Analysis

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S.B. 48

130th General Assembly
(As Passed by the Senate)

Sens. Balderson, Hite, Burke, Faber, Seitz

BILL SUMMARY

- Allows a specified C or D liquor permit that has been transferred for an economic development project in a quota restricted city or township to be subsequently transferred to a location that does not qualify as an economic development project regardless of the quota.
- Makes permissive specified factors that current law requires to be used to determine the designation of an economic development project.

CONTENT AND OPERATION

Liquor permits for economic development projects

Current law generally establishes quota restrictions on the number of C-1, C-2, D-1, D-2, D-3, and D-5 liquor permits (hereafter C or D liquor permit) that may be issued in each municipal corporation or in the unincorporated area of each township (see "**Background**," below). If a municipal corporation or the unincorporated area of a township has reached its quota for the number of C or D liquor permits issued, no more permits may be issued in or transferred into the municipal corporation or township. However, those quota restrictions do not apply to the transfer of a C or D liquor permit for an economic development project that meets certain criteria.[1]

Current law also provides that a C or D liquor permit transferred for an economic development project may be subsequently transferred to a different owner at the same location, or to the same owner or a different owner at a different location in the same municipal corporation or in the unincorporated area of the same township, as

[1] R.C. 4303.29(B)(2)(a) and (b).

long as the same or new location meets the economic development project criteria set forth in current law (see below).

The bill allows a C or D liquor permit that has been transferred for an economic development project to be subsequently transferred to a location that does not qualify as an economic development project without regard to any quota restriction.[2] The bill also makes permissive the following specified factors that current law requires to be used to determine the designation of an economic development project:

(1) Architectural certification of the plans and the cost of the project;

(2) The number of jobs that will be created by the project;

(3) Projected earnings of the project;

(4) Projected tax revenues for the political subdivisions in which the project will be located; and

(5) The amount of financial investment in the project.

Under continuing law, the Superintendent of Liquor Control must determine whether the existing or proposed business that is seeking a permit described above qualifies as an economic development project. If the Superintendent determines that it so qualifies, the Superintendent must designate the business as an economic development project.[3]

Background

Liquor permits

The quotas applicable to the bill apply to C-1, C-2, D-1, D-2, D-3, and D-5 liquor permits. The C-1 permit authorizes the retail sale of beer in containers for off-premises consumption. The C-2 permit authorizes the retail sale of wine or mixed beverages in containers for off-premises consumption. The D-1 permit authorizes the retail sale of beer by the individual glass or in containers for on- or off-premises consumption. The D-2 permit authorizes the retail sale of wine or mixed beverages by the individual glass or in containers for on- or off-premises consumption. The D-3 permit authorizes the retail sale of spirituous liquor until 1 a.m. for on-premises consumption. Finally, the D-5 permit authorizes the retail sale of beer or intoxicating liquor by the individual glass for

[2] R.C. 4303.29(B)(2)(b)(i).

[3] R.C. 4303.292(B)(2)(b)(ii).

on-premises consumption and the retail sale of beer, wine, or mixed beverages for off-premises consumption.

Quota restrictions

Generally, only one C-1 and C-2 liquor permit can be issued for each 1,000 population or part of that population in each municipal corporation and in the unincorporated area of each township. Similarly, only one D-1 and D-2 liquor permit can be issued for each 2,000 population or part of that population in each municipal corporation and in the unincorporated area of each township.

Generally, only one D-3, D-4, or D-5 liquor permit can be issued for each 2,000 population or part of that population in each municipal corporation and in the unincorporated area of each township. However, in any municipal corporation with a population of 55,000 or more, one additional D-3 permit may be issued for each 1,500 population or part of that population.

HISTORY

ACTION	DATE
Introduced	02-20-13
Reported, S. Agriculture	03-20-13
Passed Senate (33-0)	03-20-13

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