



# Ohio Legislative Service Commission

## Bill Analysis

Amanda M. Kramer

### **S.B. 116**

130th General Assembly  
(As Introduced)

**Sens.** Kearney, Brown, Seitz

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## **BILL SUMMARY**

- Allows the creation of municipal entertainment districts by the legislative authority of a municipal corporation with a population of more than 50,000 people.
- Permits the Division of Liquor Control to issue a municipal entertainment district designation to any A-2 or D liquor permit holder located within the municipal entertainment district who is in compliance with the Liquor Control Law and the specific terms of the holder's permit.
- Exempts from the Open Container Law any person who is carrying an open container of beer or intoxicating liquor, purchased from an establishment with a municipal entertainment district designation, while at an outdoor location within the municipal entertainment district.

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## **CONTENT AND OPERATION**

### **Overview**

The bill allows the owner or operator of an establishment that sells beer or intoxicating liquor and meets certain other requirements to apply to have the property on which that establishment is located, or that property and other surrounding property, deemed a municipal entertainment district. If the legislative authority of the municipal corporation in which the proposed district would be located approves the application, a municipal entertainment district is created. Once the district is created, the Division of Liquor Control may issue a municipal entertainment district designation to any A-2 or D liquor permit holder who is in compliance with the Liquor Control Law and the specific terms of the holder's permit. Any person who is carrying an open container of beer or intoxicating liquor, purchased from an establishment with a

municipal entertainment district designation, while at an outdoor location within the municipal entertainment district is exempted from the Open Container Law. Under the Open Container Law, a person generally is prohibited from carrying an open container of beer or intoxicating liquor in public, unless a specific exception applies as discussed below.

## **Municipal entertainment districts**

### **Restrictions on the creation of municipal entertainment districts**

Under the bill, municipal entertainment districts may only be created in a municipal corporation with a population of greater than 50,000 people.<sup>1</sup> The size of any municipal entertainment district cannot exceed one-half mile by one-half mile and must contain no fewer than four total A-2 or D permit holders. A district may be irregularly shaped.<sup>2</sup> A-2 and D liquor permits generally allow the permit holder to sell beer or intoxicating liquor for on-premises consumption or in sealed containers for off-premises consumption.<sup>3</sup> Intoxicating liquor includes all beverages, except for beer, containing .5% of or higher alcohol by volume.<sup>4</sup>

The number of municipal entertainment districts that may be created within a single municipal corporation are limited as follows:

- Not more than one district per municipal corporation with a population of 50,001-150,000 people;
- Not more than two districts per municipal corporation with a population between 150,000-300,000 people; and
- Not more than three districts per municipal corporation with a population of 300,000 or more people.

The population of a municipal corporation, for purposes of making this determination, is the population included in the most recent regular federal census.<sup>5</sup>

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<sup>1</sup> R.C. 4301.82(A)(2) and (B).

<sup>2</sup> R.C. 4301.82(A)(1).

<sup>3</sup> R.C. 4303.03 and 4303.13 to 4303.184 (not in bill).

<sup>4</sup> R.C. 4301.01(A)(1) (not in bill).

<sup>5</sup> R.C. 4301.82(D).



## **Application process**

Under the bill, in order to create a municipal entertainment district, a person who owns or operates an establishment within a qualifying municipal corporation and that holds an A-2 or D liquor permit may apply to have the property on which that establishment is located, or that property and other surrounding property, designated as a municipal entertainment district. An application to create a municipal entertainment district must contain the following information: the applicant's name and address and the name and address of the establishment; a map or survey of the proposed district; a statement of the nature and types of establishments within, or proposed to be within, the proposed district; and evidence that the uses of land within the proposed district are in accord with the municipal corporation's master zoning plan or map.<sup>6</sup>

An application must be submitted to the mayor of the municipal corporation in which the proposed district will be created, along with a handling and processing fee to be determined by the municipal corporation. Within 30 days of receiving an application, the mayor must submit the application and the mayor's recommendation to the legislative authority of the municipal corporation.<sup>7</sup>

Within 30 days after receipt of the application and recommendation from the mayor, the legislative authority of the municipal corporation must publish a notice, once a week for two consecutive weeks in one newspaper of general circulation in the municipal corporation. The notice must provide that the application is on file in the office of the clerk of the municipal corporation and is available for inspection by the public during regular business hours. The notice also must indicate the date and time of any public hearing regarding the application. The legislative authority must approve or disapprove the application within 75 days after the application was originally received by the mayor. The application may only be approved through passage of an ordinance or resolution by an affirmative majority vote of the legislative authority. If the application is approved, the proposed municipal entertainment district is created. If the application is disapproved, the applicant may make changes to secure approval.<sup>8</sup>

## **District designations**

After a municipal entertainment district has been created, the Division of Liquor Control may issue a municipal entertainment district designation to any A-2 or D liquor

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<sup>6</sup> R.C. 4301.82(B)(1) to (4).

<sup>7</sup> R.C. 4301.82(B)(5) and (C).

<sup>8</sup> R.C. 4301.82(C).



permit holder who is in compliance with the Liquor Control Law and the specific terms of the holder's permit.<sup>9</sup> This designation allows the patrons of the establishment owned by the permit holder to carry open containers of beer or intoxicating liquor purchased at the establishment at outdoor locations within the municipal entertainment district, as discussed below.

### **Open Container Law exception**

Generally, under current law, a person is prohibited from carrying an open container of beer or intoxicating liquor in any public place (see, "**Background: Existing exceptions to the Open Container Law**"). Under the bill, a person who purchases beer or intoxicating liquor from the holder of a permit with a municipal entertainment district designation is permitted to have that beverage in an open container at any outdoor location within the municipal entertainment district. However, no person may enter the premises of another establishment with an open container of beer or intoxicating liquor purchased elsewhere.<sup>10</sup>

### **Dissolution of a municipal entertainment district**

Under the bill, all or part of an area designated as a municipal entertainment district may be dissolved by the legislative authority of the municipal corporation in which the district is located. After giving notice of the proposed action, by publication once a week for two consecutive weeks in a newspaper of general circulation, the legislative authority may dissolve the area or entire district. Upon dissolution, the Division of Liquor Control must revoke all municipal entertainment district designations issued to establishments within the dissolved area or district.<sup>11</sup>

### **Background: Existing exceptions to the Open Container Law**

The following are exceptions to the prohibition against an open container in a public place: (1) beer or intoxicating liquor from an establishment that is permitted to sell such beverages for consumption on premises, (2) beer or intoxicating liquor at a convention facility in accordance with an F-1 permit, (3) beer or intoxicating liquor samples as approved by the Liquor Control Commission or in accordance with current law governing the sampling of spirituous liquor, and (4) beer and intoxicating liquor at

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<sup>9</sup> R.C. 4301.82(E).

<sup>10</sup> R.C. 4301.62(B)(3) and (C)(6).

<sup>11</sup> R.C. 4301.82(F).



certain music festivals or orchestral performances where the holder of a specified liquor permit grants permission to possess and consume such beverages.<sup>12</sup>

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## HISTORY

ACTION	DATE
Introduced	04-25-13

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<sup>12</sup> R.C. 4301.62(B) and (C).

