

board of elections would hear the protest and make the ruling. Therefore, costs to the county board of elections could increase if protests are filed. The bill also requires the board of elections to provide a petitioner for a local option election the names of streets and, if appropriate, the address numbers of residences and business establishments within the affected precinct or residence district. Further, the board of elections is required to notify, through certified mail, each permit holder that would be affected by this type of local option election. Board costs for both of these provisions would increase. Depending upon the number of petitions filed, statewide costs could be significant. Finally, the board must certify the number of signatures needed for a petition and their validity, which could also raise expenditures.

- Municipalities and townships will bear certain costs of elections as related to this bill. The bill specifies that a separate ballot be used for the special election. Fairly significant costs could be incurred. In addition to printing costs, municipalities and townships would be responsible for paying poll workers, the costs of transporting and setting up election equipment and for paying any polling site rental costs. Costs for municipalities and townships could exceed several thousand dollars each.

Detailed Fiscal Analysis

The bill would allow a local liquor option election to be held in a residence district or a precinct that has both "wet" and "dry" sections. For example, a precinct may currently allow for the sale of beer and spirituous liquor but then annexes an area that does not. Apparently case law has ruled that the annexed area can retain their liquor classification, even if it is different from the area it is annexed into. This means that a precinct can have both "wet" and "dry" areas.

Since Ohio courts have determined that local liquor option elections cannot be held on individual permit holders or premises, elections presently have to be held by precinct or residence district. This bill attempts to change that requirement. Specifically, the bill allows a local option liquor election for just one part of a precinct or residence district. Under this bill, an election can be held in only a portion of a precinct or residence district if that portion has a different liquor classification than the rest. For instance, an election can be held in the "dry" portion of a precinct and not in the "wet" part. This process ensures that the outcome of the election in the dry section does not affect the "wet" section. A reverse situation could likewise arise (e.g., a vote in the "wet" section). Under current law, a precinct- or residence district- wide election would have to be held, with the outcome affecting both "wet" and "dry" areas.

The bill also changes the timeframe between which a petition for a local option liquor election can be submitted. Currently, an election can be held in a precinct or residence district only once every four years, whether the electors vote to approve the sale of alcoholic beverages or not. This bill changes that provision and allows an election to be held every two years. This change applies not only to the new form of local option liquor elections established in this bill, but also to the other types of local option liquor elections. The effect of this change will be to potentially allow more frequent local option liquor elections and, therefore, increase board of election and municipality and township costs.

State Effects

The Division of Liquor Control in the Department of Commerce must give a petitioner for a local option election established under this bill the names and addresses of permit holders that would be affected by an election. While by itself this provision should not place a significant burden upon the Division, if the bill is enacted and petitions can be filed for November elections in 1997, the Division may have little time to provide this required information. Further, the bill compounds this situation by changing the requirement that the Division be notified at least 45 days before a general election to 30 days. This provision only applies for elections held on the day of the 1997 general election. In years after 1997, the 45 day requirement would be reestablished.

Local Effects

County boards of elections would incur several costs associated with this bill. They include: printing ballots; providing a petitioner with the names of streets and, if appropriate, the address numbers of residences and business establishments within the affected precinct or residence district; notifying, through certified mail, each permit holder that would be affected by

the type of local option election established under this bill; and hearing protests filed against a local option liquor election petition. Printing costs should be recovered from the municipality or township in which the local option election takes place. Costs related to the other areas would appear to be borne solely by the county boards of elections. Ultimately, the additional cost to any county board of elections will depend upon the number of petitions filed.

Municipalities and townships would pay for the costs of holding a local option liquor election. Specifically, they will pay equipment, payroll, rental and printing costs. The costs of holding these elections could exceed several thousand dollars for an individual municipality or township.

□ *LBO staff: Rick Graycarek, Budget/Policy Analyst*

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