

Greenbook

LBO Analysis of Enacted Budget

Liquor Control Commission

Terry Steele, Senior Budget Analyst
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LBO Greenbook

Liquor Control Commission

Quick look...

- The Liquor Control Commission consists of three members appointed by the Governor and six full-time staff.
- The Commission is a quasi-judicial body that hears administrative cases against permit holders for alleged violations of Ohio's liquor laws and certain other matters related to these businesses.
- The Commission is funded through a portion of liquor permit fee revenue collected by the state.

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
Fund 5LP0 ALI 970601, Commission Operating Expenses					
\$1,000,890	\$999,955	\$1,042,399	\$1,093,426	\$1,177,114	\$1,241,735
% change	-0.1%	4.2%	4.9%	7.7%	5.5%

Agency overview

The Liquor Control Commission (LCO) is the rulemaking and adjudication agency which oversees the alcohol beverage industry in Ohio and ensures compliance with Ohio's liquor laws and regulations. LCO works with the Department of Commerce's Division of Liquor Control, which issues liquor permits, as well as the Attorney General and Department of Public Safety, which are involved with investigating and enforcing liquor violations. LCO's responsibilities include (1) making and interpreting rules regarding liquor production, sales, and advertising, (2) hearing cases regarding alleged liquor permit violations, (3) hearing appeals of the Division of Liquor Control decisions on liquor permit renewals and distribution, and (4) hearing appeals of liquor permit revocations and nonrenewals based on tax delinquencies. The Commission consists of three members appointed by the Governor for six-year terms and who, unlike many appointed boards and commissions, are paid a salary. As of July 2025, the Commission staff consists of six full-time employees, including the Executive Director.

Analysis of FY 2026-FY 2027 budget

H.B. 96 provides the Liquor Control Commission (LCO) with funding of \$1,177,114 in FY 2026 and \$1,241,735 in FY 2027. LCO's operating budget is supported by a portion of liquor permit fee revenue transferred from the Undivided Liquor Permit Fund (Fund 7066) to the State Liquor Regulatory Fund (Fund 5LP0). Specifically, of the liquor permit receipts collected in Fund 7066, 45% is distributed to Fund 5LP0 for use by the Department of Commerce's Division of Liquor Control and the Liquor Control Commission. Of the remaining permit revenue, 35% goes to municipalities and townships and 20% goes to the Department of Behavioral Health (MHA).

Enforcement statistics

LCO hears both “citation” and “noncitation” cases. Citation cases concern allegations of illegal gambling, sale of illicit drugs, underage drinking, and other sorts of prohibited activity at permit establishments. Noncitation cases deal with tax payment deficiencies, overdue or unpaid workers’ compensation premiums, and unemployment compensation delinquencies among permit holders. In FY 2025, the Commission tallied 855 citation cases and 610 cases involving other matters.

The Commission has the authority to revoke licenses or impose cash fines depending on the circumstances of a case. These fines, referred to as forfeitures, are not retained by the Commission and are instead deposited into the GRF. The total amount of forfeitures ordered or collected in any year depends on the types of cases heard, as well as the Commission’s judgment on the frequency and severity of offenses which are being adjudicated. Forfeitures collected in FY 2025 totaled approximately \$698,900.