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H.B. 745
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. West and Miranda

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SUMMARY

- Provides for the extension of the annual liquor permit renewal deadline for bars and restaurants in calendar years 2020, 2021, and 2022.
- Requires the Superintendent of Liquor Control to calculate the amount of permit revenue lost by the extension and requires the Director of Budget and Management to certify the amounts.
- For purposes of the loss in revenue from the bill's permit renewal extensions, requires the certified loss to be absorbed by the State Liquor Regulatory Fund (thus, no reductions will be made to the Statewide Treatment and Prevention Fund or to amounts transferred to political subdivisions).

DETAILED ANALYSIS

Liquor permit renewal period extension

Ohio law requires all liquor permit holders to renew their liquor permits annually. The date by which a permit holder must complete renewal is established by the Division of Liquor Control. Specifically, the Division requires renewal by February 1, June 1, or October 1, depending on the region where the permitted premises is located.¹ The bill extends the renewal deadline for an A-1-A and Class D liquor permit (see “**Background**,” below) during calendar years 2020, 2021, and 2022 as shown in the following schedule.²

¹ Map showing the regions of the state for liquor permit renewal purposes can be found at: https://www.com.ohio.gov/documents/LIQR_RenewalDistricts.pdf.

² Section 1(A).

Current scheduled annual renewal date	First extended renewal date	Second extended renewal date
October 1, 2020	January 4, 2021	April 4, 2022
February 1, 2021	May 1, 2021	August 1, 2022
June 1, 2021	September 1, 2022	No extension, thus renewal is the current scheduled date of June 1, 2023

A liquor permit remains valid until the applicable extended renewal date set forth above, unless the permit is suspended or revoked. Beginning in 2023, a liquor permit holder must renew their permit in accordance with current law (i.e., either February 1, June 1, or October 1).

The bill requires the Division to adopt rules necessary to administer and enforce the extended renewal period provisions.³

Distribution from Undivided Liquor Permit Fund

Current law requires the Superintendent of Liquor Control to credit money collected from liquor permit fees to the Undivided Liquor Permit Fund. Money from the fund is distributed as follows:

1. 45% to the existing State Liquor Regulatory Fund (used to pay the operating expenses of the Division of Liquor Control);
2. 20% to the existing Statewide Treatment and Prevention Fund (used by the Department of Mental Health and Addiction Services for addiction services); and
3. 35% to townships and municipal corporations where liquor permit premises are located.

The bill requires the Superintendent to calculate the amount of permit revenue lost to the Undivided Liquor Permit Fund because of the bill's renewal period extension. The Superintendent also must calculate the subsequent revenue losses to the State Liquor Regulatory and Statewide Treatment and Prevention Funds and political subdivisions. After those calculations, the Director of Budget and Management must certify the amounts.

The bill requires the certified loss to be absorbed by the State Liquor Regulatory Fund. The Statewide Treatment and Prevention Fund and the amount transferred to political subdivisions are not reduced.⁴

³ Section 1(B) and (C).

⁴ Section 2; R.C. 4301.30, not in the bill.

Background

Below is a list of permits for which permit renewal deadlines are extended by the bill, along with a description of the authorized activity under the permit.

Class of liquor permit ⁵	Authorized activity
A-1-A	Brewery, winery, or distillery may sell beer and any intoxicating liquor by glass or from a container; and a brewery may sell beer for off-premises consumption.
D-1	Restaurant or other specified entity may sell beer for on- or off-premises consumption.
D-2	Restaurant or other specified entity may sell wine or certain mixed beverages for on- or off-premises consumption.
D-3	Restaurant or other specified entity may sell spirituous liquor for on-premises consumption until 1:00 a.m.
D-3a	D-3 permit holder may sell until 2:30 a.m.
D-4	Club may sell beer or intoxicating liquor to members only for on-premises consumption, until 1:00 a.m.
D-4a	D-4 permit holder may sell until 2:30 a.m.
D-5	Restaurant or night club may sell beer or intoxicating liquor for on- or off-premises consumption until 2:30 a.m.
D-5a to D-5o	Various establishments may sell beer or intoxicating liquor for on- or off-premises consumption, depending on the circumstances until 1:00 or 2:30 a.m.
D-6	Various establishments may sell beer or intoxicating liquor for on-or off-premises consumption on Sundays if the electors in the precinct approve those sales.

⁵ R.C. 4303.021 to 4303.183, not in the bill.

Class of liquor permit ⁵	Authorized activity
D-7	Restaurant or other specified entity in a resort area may sell beer or intoxicating liquor for on-premises consumption until 2:30 a.m.

HISTORY

Action	Date
Introduced	08-04-20