



OHIO LEGISLATIVE SERVICE COMMISSION

Final Analysis

Jeff Grim

Sub. H.B. 522

132nd General Assembly
(As Passed by the General Assembly)

Reps. Lanese, Anielski, Antonio, Arndt, Brenner, Celebrezze, Hambley, Leland, Lepore-Hagan, Manning, Miller, Patton, Ramos, Retherford, Rogers, Scherer, Schuring, Seitz, Strahorn, Sweeney, West, Wiggam

Sens. Hoagland, Hackett, Beagle, Kunze, Bacon, Burke, Coley, Dolan, Eklund, McColley, Schiavoni, Thomas, Uecker, Wilson

Effective date: *

ACT SUMMARY

Outdoor refreshment areas

- Allows an F-class liquor permit holder (applies to festival-type events that have a short duration) to obtain an outdoor refreshment area designation, thus allowing the permit holder's patrons to walk around outdoors in the refreshment area without violating the state open container law.
- Requires an F-class permit holder that receives a designation to both:
 - Comply with all laws, rules, and regulations that govern its type of permit, and the public health and safety requirements established for the outdoor refreshment area; and
 - Not block ingress or egress to the outdoor refreshment area or any other liquor permit premises located within the area.
- Removes both of the following from the list of D-class liquor permit holders that may obtain an outdoor refreshment area designation:
 - A D-6 permit holder (allows Sunday sales of beer or intoxicating liquor);

* The Legislative Service Commission had not received formal notification of the effective date at the time this analysis was prepared.

--A D-8 permit holder (allows sales of growlers of beer or sales of tasting samples).

On-premises sales by wholesale distributors

- Allows B-class liquor permit holders (wholesale alcohol distributors) to sell alcoholic beverages for on-premises consumption at certain events hosted by the distributor.

Park districts – allow liquor permit advertising

- Authorizes a board of park commissioners to use public funds to publish, advertise, or otherwise communicate information regarding activities related to a liquor permit issued to the park district.

CONTENT AND OPERATION

Outdoor refreshment areas

Background

A municipal corporation or township may create a designated outdoor refreshment area (also known as a DORA) that allows a person to purchase beer or intoxicating liquor from a designated liquor permit holder and walk around outdoors with that opened container of beer or intoxicating liquor in the DORA. Thus, the person is exempt from the law governing opened containers, which generally prohibits a person from carrying an opened container of beer or intoxicating liquor in public.

Once the DORA is created, the Division of Liquor Control must issue a DORA designation to certain liquor permit holders upon application (subject to compliance with the liquor law and the terms of the permit). Under continuing law, those permits include D-class permits (bars, restaurants, and clubs) and certain A-class permits (alcohol manufacturers) that allow service of alcohol for on-premises consumption.¹

Inclusion of F-class permits

The act allows an F-class liquor permit holder to obtain a DORA designation. Thus, patrons of an F permit holder located in a DORA can leave the F permit premises with purchased alcohol and walk around the DORA. F-class permits generally authorize organizations that operate festivals of a short duration to sell beer or intoxicating liquor.

¹ R.C. 4301.82.

The Division must issue a DORA designation to an F permit holder if it determines that the permit holder is in compliance with the liquor laws. An F permit holder that receives a designation must both:

(1) Comply with all laws, rules, and regulations that govern the permit, and comply with the public health and safety requirements established for the DORA by the municipal corporation or township that created the DORA;

(2) Not block ingress or egress to the DORA or any other liquor permit premises located within the area.²

D-class permits and outdoor refreshment areas

The act removes both of the following from the list of D-class permit holders that may obtain a DORA designation:

(1) A D-6 permit holder (allows Sunday sales of beer or intoxicating liquor). The D-6 permit is issued as an adjunct to other D-class and A-class permits for which a DORA designation may already be issued. Thus, its inclusion in the list of permits eligible for a DORA designation was superfluous.

(2) A D-8 permit holder (allows sales of growlers of beer or sales of tasting samples of beer, wine, and mixed beverages for on-premises consumption). The D-8 permit is issued to certain C-class permit holders (retail sale of beer, wine, mixed beverages) and agency stores (retail sales of spirituous liquor) as an adjunct. It does not permit on-premises sales of alcohol other than tasting samples. Therefore, it is unlike any other D-class permit for which a DORA designation may be issued.³

On-premises sales by wholesale distributors

The act authorizes a B-class liquor permit holder (wholesale liquor distributor) to sell at retail beer, wine, or mixed beverages by the individual drink, for on-premises consumption, at certain events hosted by the distributor. Qualifying distributor-hosted events are (1) events for a charitable, benevolent, cultural, educational, or political purpose or (2) events that are not open to the general public. The distributor may only sell beer, wine, or mixed beverages that the permit holder is otherwise authorized to distribute under the B permit.⁴

² R.C. 4301.82(F) and (G).

³ R.C. 4301.82(A).

⁴ R.C. 4303.101.

Park districts – allow liquor permit advertising

The act authorizes a board of park commissioners of a park district to use public funds to publish, advertise, or otherwise communicate information regarding activities related to a liquor permit issued to the park district.⁵ It excludes this use from the law that prohibits a governing body of a political subdivision from using public funds to publish, distribute, or otherwise communicate information that promotes alcoholic beverages.⁶

HISTORY

ACTION	DATE
Introduced	02-21-18
Reported, H. Gov't Accountability & Oversight	04-11-18
Passed House (87-6)	06-20-18
Reported, S. Agriculture	12-05-18
Passed Senate (29-0)	12-06-18
House concurred in Senate amendments (89-4)	12-12-18

18-HB522-132.docx/ks

⁵ R.C. 1545.081.

⁶ R.C. 9.03(C)(1)(b), not in the act.

