As Reported by the Senate Agriculture and Natural Resources Committee

133rd General Assembly

Regular Session 2019-2020

Sub. H. B. No. 674

Representatives Hillyer, Becker

Cosponsors: Representatives Callender, Carruthers, Crossman, Galonski, Holmes, A., Lang, Leland, Miller, J., Reineke, Robinson, Roemer, Rogers, Seitz, Upchurch, West

Senator Hoagland

A BILL

То	amend sections 3717.22, 3717.42, 4301.01,	1
	4301.101, 4301.24, 4301.62, 4303.021, and	2
	4303.181 and to enact sections 4301.011,	3
	4301.246, and 4303.2011 of the Revised Code to	4
	revise specified provisions of the liquor	5
	control laws.	6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3717.22, 3717.42, 4301.01,	7
4301.101, 4301.24, 4301.62, 4303.021, and 4303.181 be amended	8
and sections 4301.011, 4301.246, and 4303.2011 of the Revised	9
Code be enacted to read as follows:	10
Sec. 3717.22. (A) The following are not retail food	11
establishments:	12
(1) A food service operation licensed under this chapter,	13
including a food service operation that provides the services of	14
a retail food establishment nursuant to an endorsement issued	15

establishment's total gross receipts.

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intoxicating liquor either by constructive or actual delivery by	300
any means or devices whatever, including the sale of beer or	301
intoxicating liquor by means of a controlled access alcohol and	302
beverage cabinet pursuant to section 4301.21 of the Revised	303
Code. "Sale" and "sell" do not include the mere solicitation of	304
orders for beer or intoxicating liquor from the holders of	305
permits issued by the division of liquor control authorizing the	306
sale of the beer or intoxicating liquor, but no solicitor shall	307
solicit any such orders until the solicitor has been registered	308
with the division pursuant to section 4303.25 of the Revised	309
Code.	310
(3) "Vehicle" includes all means of transportation by	311
land, by water, or by air, and everything made use of in any way	312
for such transportation.	313
(B) As used in this chapter:	314
(1) "Alcohol" means ethyl alcohol, whether rectified or	315
diluted with water or not, whatever its origin may be, and	316
includes synthetic ethyl alcohol. "Alcohol" does not include	317
denatured alcohol and wood alcohol.	318
(2) "Beer" includes all beverages brewed or fermented	319
wholly or in part from malt products and containing one-half of	320
one per cent or more of alcohol by volume.	321
(3) "Wine" includes all liquids fit to use for beverage	322
purposes containing not less than one-half of one per cent of	323

alcohol by volume and not more than twenty-one per cent of

alcohol by volume, which is made from the fermented juices of

used in sections 4301.13, 4301.421, 4301.422, 4301.432, and

4301.44 of the Revised Code, and, for purposes of determining

grapes, fruits, or other agricultural products, except that as

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(17) "Enclosed shopping center" means a group of retail

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sales and service business establishments that face into an	386
enclosed mall, share common ingress, egress, and parking	387
facilities, and are situated on a tract of land that contains an	388
area of not less than five hundred thousand square feet.	389
"Enclosed shopping center" also includes not more than one	390
business establishment that is located within a free-standing	391
building on such a tract of land, so long as the sale of beer	392
and intoxicating liquor on the tract of land was approved in an	393
election held under former section 4301.353 of the Revised Code.	394
(18) "Controlled access alcohol and beverage cabinet"	395
means a closed container, either refrigerated, in whole or in	396
part, or nonrefrigerated, access to the interior of which is	397
restricted by means of a device that requires the use of a key,	398
magnetic card, or similar device and from which beer,	399
intoxicating liquor, other beverages, or food may be sold.	400
(19) "Community facility" means either of the following:	401
(a) Any convention, sports, or entertainment facility or	402
complex, or any combination of these, that is used by or	403
accessible to the general public and that is owned or operated	404
in whole or in part by the state, a state agency, or a political	405
subdivision of the state or that is leased from, or located on	406
property owned by or leased from, the state, a state agency, a	407
political subdivision of the state, or a convention facilities	408
authority created pursuant to section 351.02 of the Revised	409
Code;	410
(b) An area designated as a community entertainment	411
district pursuant to section 4301.80 of the Revised Code.	412

(20) "Low-alcohol beverage" means any brewed or fermented

malt product, or any product made from the fermented juices of

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or intended for consumption unless certain manufacturer's	444
processing instructions are followed.	445
(d) The instructions include releasing the contents of the	446
capsule through a machine specifically designed to process the	447
contents.	448
(e) After being properly processed according to the	449
manufacturer's instructions, the final product produced from the	450
capsule contains not less than one-half of one per cent of	451
alcohol by volume and not more than twenty-one per cent of	452
alcohol by volume.	453
Sec. 4301.011. The general assembly hereby finds that the_	454
Twenty-first Amendment to the United States Constitution confers	455
upon the state of Ohio sole and exclusive authority to regulate	456
the sale and distribution of beer and intoxicating liquor in	457
this state. That authority, so conferred, has rested with the	458
state of Ohio since the ratification of the Twenty-first	459
Amendment to the United States Constitution.	460
The general assembly also finds that its authority to so	461
regulate is exercised through Title XLIII of the Revised Code	462
and other relevant provisions of the Revised Code. Title XLIII	463
of the Revised Code and the other relevant provisions of the	464
Revised Code reflect the intent of the general assembly to do	465
all of the following:	466
(A) Promote temperance by preventing consumption by	467
underage persons and by discouraging abusive consumption;	468
(B) Promote orderly markets by requiring transparent,	469
accountable, and stable distribution of beer and intoxicating	470
liquor and preventing unfair competition;	471
(C) Facilitate the collection of taxes related to the sale	472

Sec. 4301.24. (A) Except as provided in section sections	502
4301.242 and 4301.246 of the Revised Code, no manufacturer shall	503
aid or assist the holder of any permit for sale at wholesale,	504
and no manufacturer or wholesale distributor shall aid or assist	505
the holder of any permit for sale at retail, by gift or loan of	506
any money or property of any description or other valuable	507
thing, or by giving premiums or rebates. Except as provided in	508
section sections 4301.242 and 4301.246 of the Revised Code, no	509
holder of any such permit shall accept the same, provided that	510
the manufacturer or wholesale distributor may furnish to a	511
retail permittee the inside signs or advertising and the tap	512
signs or devices authorized by divisions (E) and (F) of section	513
4301.22 of the Revised Code.	514

- (B) No manufacturer shall have any financial interest, 515 directly or indirectly, by stock ownership, or through 516 interlocking directors in a corporation, or otherwise, in the 517 establishment, maintenance, or promotion in the business of any 518 wholesale distributor. No retail permit holder shall have any 519 interest, directly or indirectly, in the operation of, or any 520 ownership in, the business of any wholesale distributor or 521 manufacturer. 522
- (C) (1) No manufacturer shall, except as authorized by 523 section 4303.021 of the Revised Code, have any financial 524 interest, directly or indirectly, by stock ownership, or through 525 interlocking directors in a corporation, or otherwise, in the 526 establishment, maintenance, or promotion of the business of any 527 retail dealer. No wholesale distributor or employee of a 528 wholesale distributor shall have any financial interest, 529 directly or indirectly, by stock ownership, interlocking 530 directors in a corporation, or otherwise, in the establishment, 531 maintenance, or promotion of the business of any retail dealer. 532

No manufacturer or wholesale distributor or any stockholder of a manufacturer or wholesale distributor shall acquire, by ownership in fee, leasehold, mortgage, or otherwise, directly or indirectly, any interest in the premises on which the business of any other person engaged in the business of trafficking in beer or intoxicating liquor is conducted.

- (2) All contracts, covenants, conditions, and limitations whereby any person engaged or proposing to engage in the sale of beer or intoxicating liquors promises to confine the person's sales of a particular kind or quality of beer or intoxicating liquor to one or more products, or the products of a specified manufacturer or wholesale distributor, or to give preference to those products, shall to the extent of that promise be void. The making of a promise in any such form shall be cause for the revocation or suspension of any permit issued to any party.
- (D) No manufacturer shall sell or offer to sell to any wholesale distributor or retail permit holder, no wholesale distributor shall sell or offer to sell to any retail permit holder, and no wholesale distributor or retail permit holder shall purchase or receive from any manufacturer or wholesale distributor, any beer, brewed beverages, or wine manufactured in the United States except for cash. No right of action shall exist to collect any claims for credit extended contrary to this section.

This section does not prohibit a licensee from crediting 557 to a purchaser the actual prices charged for packages or 558 containers returned by the original purchaser as a credit on any 559 sale or from refunding to any purchaser the amount paid by that 560 purchaser for containers or as a deposit on containers when 561 title is retained by the vendor, if those containers or packages 562

have been returned to the manufacturer or distributor. This	563
section does not prohibit a manufacturer from extending usual	564
and customary credit for beer, brewed beverages, or wine	565
manufactured in the United States and sold to customers who live	566
or maintain places of business outside this state when the	567
beverages so sold are actually transported and delivered to	568
points outside this state.	569
No wholesale or retail permit shall be issued to an	570

applicant unless the applicant has paid in full all accounts for beer or wine, manufactured in the United States, outstanding as of September 6, 1939. No beer or wine manufactured in the United States shall be imported into the state unless the beer or wine has been paid for in cash, and no supplier registration for any such beer or wine manufactured in the United States shall be issued by the division of liquor control until the A-2, A-2f, B-1, or B-5 permit holder establishes to the satisfaction of the division that the beer or wine has been paid for in cash.

(E) This section does not prevent a prohibit any of the following:

(1) A manufacturer from securing and holding any financial interest, directly or indirectly, by stock ownership or through interlocking directors in a corporation, or otherwise, in the establishment, maintenance, or promotion of the business or premises of any C or D permit holder, provided that the following conditions are met:

 $\frac{(1)-(a)}{(a)}$ Either the manufacturer or one of its parent companies is listed on a national securities exchange.

 $\frac{(2)-(b)}{(2)-(b)}$ All purchases of alcoholic beverages by the C or D permit holder are made from wholesale distributors in this state

or agency stores licensed by the division of liquor control.	592
$\frac{(3)}{(c)}$ If the C or D permit holder sells brands of	593
alcoholic beverages that are produced or distributed by the	594
manufacturer that holds the financial interest, the C or D	595
permit holder also sells other competing brands of alcoholic	596
beverages produced by other manufacturers, no preference is	597
given to the products of the manufacturer, and there is no	598
exclusion, in whole or in part, of products sold or offered for	599
sale by other manufacturers, suppliers, or importers of	600
alcoholic beverages that constitutes a substantial impairment of	601
commerce.	602
$\frac{(4)}{(d)}$ The primary purpose of the C or D permit premises	603
is a purpose other than to sell alcoholic beverages, and the	604
sale of other goods and services exceeds fifty per cent of the	605
total gross receipts of the C or D permit holder at its	606
premises.	607
(F)(1) This section does not prevent a (2) A manufacturer	608
from giving financial assistance to the holder of a B permit for	609
the purpose of the holder purchasing an ownership interest in	610
the business, existing inventory and equipment, or property of	611
another B permit holder, including, but not limited to,	612
participation in a limited liability partnership, limited	613
liability company, or any other legal entity authorized to do	614
business in this state. <u>However</u> , this	615
(2) This section does not permit a manufacturer to give	616
financial assistance to the holder of a B permit to purchase	617
inventory or equipment used in the daily operation of a B permit	618
holder.	619
(G) This section does not prohibit a (3) A manufacturer or	620

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subsidiary of a manufacturer from continuing to operate a	621
wholesale distribution franchise or distribute beer or wine	622
within a designated territory if prior to the effective date of	623
this amendment July 30, 2013, the manufacturer either acquired	624
the distribution franchise or territory, or awarded the	625
franchise or territory to itself or a subsidiary.	626
(H) This section shall not prevent a (4) A manufacturer	627
from securing and holding an A-1c or B-2a permit or permits and	628
operating as a wholesale distributor pursuant to such permits.	629
(5) A manufacturer from renting or leasing property to the	630
holder of an F class permit for purposes of an event for which	631
the F class permit has been issued.	632
Sec. 4301.246. (A) As used in this section:	633
(1) "Case" means twenty-four individual pieces of	634
glassware.	635
(2) "Glassware" means a glass container to which all of	636
the following apply:	637
(a) It has the brand name of a beer or the name of the	638
manufacturer or supplier of the beer permanently affixed,	639
embossed, or engraved on the container;	640
(b) It has the brand name of the beer or the name of the	641
manufacturer or supplier of the beer prominently displayed on	642
<pre>the container;</pre>	643
(c) It holds not more than twenty-four ounces of liquid.	644
(3) "Receipt" means a record, either in paper or digital	645
format, that contains all of the following information:	646
(a) The name and address of the permit holder authorized	647

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to sell beer for on-premises consumption that receives glassware	648
from a manufacturer or supplier;	649
(b) The name and address of the manufacturer or supplier	650
that provides glassware to the permit holder;	651
(c) The name of the employee or agent of the permit holder	652
that receives the glassware;	653
(d) The date that the glassware is provided to the permit	654
holder;	655
(e) The amount, if any, that the manufacturer or supplier	656
charged the permit holder for the glassware;	657
(f) The permit holder's permit number;	658
(g) A description and the amount of glassware provided to	659
the permit holder;	660
(h) The amount that the manufacturer or supplier paid to	661
have the glassware manufactured.	662
(B) Notwithstanding section 4301.24 of the Revised Code, a	663
manufacturer or supplier may provide glassware intended for the	664
serving of beer to a permit holder authorized to sell beer for	665
on-premises consumption if the manufacturer or supplier provides	666
a receipt to the permit holder. However, the manufacturer or	667
supplier shall not annually provide more than four cases of such	668
glassware to the permit holder.	669
(C) A permit holder authorized to sell for on-premises	670
consumption may receive glassware intended for the serving of	671
beer from a manufacturer or supplier.	672
Sec. 4301.62. (A) As used in this section:	673
(1) "Chauffeured limousine" means a vehicle registered	674

parking,	071
(5) Except as provided in division (D) or (E) of this	692
section, while being in or on a stationary motor vehicle on any	693
street, highway, or other public or private property open to the	694
public for purposes of vehicular travel or parking.	695

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- (C) (1) A person may have in the person's possession an opened container of any of the following:
- (a) Beer or intoxicating liquor that has been lawfully

 purchased for consumption on the premises where bought from the

 holder of an A-1-A, A-2, A-2f, A-3a, D-1, D-2, D-3, D-3a, D-4,

 D-4a, D-5, D-5a, D-5b, D-5c, D-5d, D-5e, D-5f, D-5g, D-5h, D-5i,

 D-5j, D-5k, D-5l, D-5m, D-5n, D-5o, D-7, D-8, E, F, F-2, F-5, F
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7, or F-8 permit;	703
(b) Beer, wine, or mixed beverages served for consumption	704
on the premises by the holder of an $F-3$ permit, wine served as a	705
tasting sample by an A-2 permit holder or S permit holder for	706
consumption on the premises of a farmers market for which an F-	707
10 permit has been issued, or wine served for consumption on the	708
premises by the holder of an F-4 or F-6 permit;	709
(c) Beer or intoxicating liquor consumed on the premises	710
of a convention facility as provided in section 4303.201 of the	711
Revised Code;	712
(d) Beer or intoxicating liquor to be consumed during	713
tastings and samplings approved by rule of the liquor control	714
commission;	715
(e) Spirituous liquor to be consumed for purposes of a	716
tasting sample, as defined in section 4301.171 of the Revised	717
Code.	718
(2) A person may have in the person's possession on an F	719
liquor permit premises an opened container of beer or	720
intoxicating liquor that was not purchased from the holder of	721
the F permit if the premises for which the F permit is issued is	722
a music festival and the holder of the F permit grants	723
permission for that possession on the premises during the period	724
for which the F permit is issued. As used in this division,	725
"music festival" means a series of outdoor live musical	726
performances, extending for a period of at least three	727
consecutive days and located on an area of land of at least	728
forty acres.	729
(3)(a) A person may have in the person's possession on a	730
D-2 liquor permit premises an opened or unopened container of	731

following:

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wine that was not purchased from the holder of the D-2 permit if	732
the premises for which the D-2 permit is issued is an outdoor	733
performing arts center, the person is attending an orchestral	734
performance, and the holder of the D-2 permit grants permission	735
for the possession and consumption of wine in certain	736
predesignated areas of the premises during the period for which	737
the D-2 permit is issued.	738
(b) As used in division (C)(3)(a) of this section:	739
(i) "Orchestral performance" means a concert comprised of	740
a group of not fewer than forty musicians playing various	741
musical instruments.	742
(ii) "Outdoor performing arts center" means an outdoor	743
performing arts center that is located on not less than one	744
hundred fifty acres of land and that is open for performances	745
from the first day of April to the last day of October of each	746
year.	747
(4) A person may have in the person's possession an opened	748
or unopened container of beer or intoxicating liquor at an	749
outdoor location at which the person is attending an orchestral	750
performance as defined in division (C)(3)(b)(i) of this section	751
if the person with supervision and control over the performance	752
grants permission for the possession and consumption of beer or	753
intoxicating liquor in certain predesignated areas of that	754
outdoor location.	755
(5) A person may have in the person's possession on an F-9	756
liquor permit premises an opened or unopened container of beer	757
or intoxicating liquor that was not purchased from the holder of	758
the F-9 permit if the person is attending either of the	759

(a) An orchestral performance and the F-9 permit holder	761
grants permission for the possession and consumption of beer or	762
intoxicating liquor in certain predesignated areas of the	763
premises during the period for which the F-9 permit is issued;	764
(b) An outdoor performing arts event or orchestral	765
performance that is free of charge and the F-9 permit holder	766
annually hosts not less than twenty-five other events or	767
performances that are free of charge on the permit premises.	768
As used in division (C)(5) of this section, "orchestral	769
performance" has the same meaning as in division (C)(3)(b) of	770
this section.	771
(6) (a) A person may have in the person's possession on the	772
property of an outdoor motorsports facility an opened or	773
unopened container of beer or intoxicating liquor that was not	774
purchased from the owner of the facility if both of the	775
following apply:	776
(i) The person is attending a racing event at the	777
facility; and	778
(ii) The owner of the facility grants permission for the	779
possession and consumption of beer or intoxicating liquor on the	780
property of the facility.	781
(b) As used in division (C)(6)(a) of this section:	782
(i) "Racing event" means a motor vehicle racing event	783
sanctioned by one or more motor racing sanctioning	784
organizations.	785
(ii) "Outdoor motorsports facility" means an outdoor	786
racetrack to which all of the following apply:	787
(I) It is two and four-tenths miles or more in length.	788

(II) It is located on two hundred acres or more of land.	789
(III) The primary business of the owner of the facility is	790
the hosting and promoting of racing events.	791
(IV) The holder of a D-1, D-2, or D-3 permit is located on	792
the property of the facility.	793
(7)(a) A person may have in the person's possession an	794
opened container of beer or intoxicating liquor at an outdoor	795
location within an outdoor refreshment area created under	796
section 4301.82 of the Revised Code if the opened container of	797
beer or intoxicating liquor was purchased from an A-1, A-1-A, A-	798
1c, A-2, A-2f, D class, or F class permit holder to which both	799
of the following apply:	800
(i) The permit holder's premises is located within the	801
outdoor refreshment area.	802
(ii) The permit held by the permit holder has an outdoor	803
refreshment area designation.	804
(b) Division (C)(7) of this section does not authorize a	805
person to do either of the following:	806
(i) Enter the premises of an establishment within an	807
outdoor refreshment area while possessing an opened container of	808
beer or intoxicating liquor acquired elsewhere;	809
(ii) Possess an opened container of beer or intoxicating	810
liquor while being in or on a motor vehicle within an outdoor	811
refreshment area, unless the possession is otherwise authorized	812
under division (D) or (E) of this section.	813
(c) As used in division (C)(7) of this section, "D class	814
permit holder" does not include a D-6 or D-8 permit holder.	815

(8)(a) A person may have in the person's possession on the	816
property of a market, within a defined F-8 permit premises, an	817
opened container of beer or intoxicating liquor that was	818
purchased from a D permit premises that is located immediately	819
adjacent to the market if both of the following apply:	820
(i) The market grants permission for the possession and	821
consumption of beer and intoxicating liquor within the defined	822
F-8 permit premises;	823
(ii) The market is hosting an event pursuant to an F-8	824
permit and the market has notified the division of liquor	825
control about the event in accordance with division (A)(3) of	826
section 4303.208 of the Revised Code.	827
(b) As used in division (C)(8) of this section, "market"	828
means a market, for which an F-8 permit is held, that has been	829
in operation since 1860.	830
(D) This section does not apply to a person who pays all	831
or a portion of the fee imposed for the use of a chauffeured	832
limousine pursuant to a prearranged contract, or the guest of	833
the person, when all of the following apply:	834
(1) The person or guest is a passenger in the limousine.	835
(2) The person or guest is located in the limousine, but	836
is not occupying a seat in the front compartment of the	837
limousine where the operator of the limousine is located.	838
(3) The limousine is located on any street, highway, or	839
other public or private property open to the public for purposes	840
of vehicular travel or parking.	841
(E) An opened bottle of wine that was purchased from the	842
holder of a permit that authorizes the sale of wine for	843

eighteen ounces of wine.	873
(2) The legislative authority of a municipal corporation	874
or township may enact an ordinance or adopt a resolution, as	875
applicable, that prohibits a passenger riding on a commercial	876
quadricycle from possessing an opened container of beer or wine.	877
(3) As used in this section, "commercial quadricycle"	878
means a vehicle that has fully-operative pedals for propulsion	879
entirely by human power and that meets all of the following	880
requirements:	881
(a) It has four wheels and is operated in a manner similar	882
to a bicycle.	883
(b) It has at least five seats for passengers.	884
(c) It is designed to be powered by the pedaling of the	885
operator and the passengers.	886
(d) It is used for commercial purposes.	887
(e) It is operated by the vehicle owner or an employee of	888
the owner.	889
(G) This section does not apply to a person that has in	890
the person's possession an opened container of beer or	891
intoxicating liquor on the premises of a market if the beer or	892
intoxicating liquor has been purchased from a D liquor permit	893
holder that is located in the market.	894
As used in division (G) of this section, "market" means an	895
establishment that:	896
(1) Leases space in the market to individual vendors, not	897
less than fifty per cent of which are retail food establishments	898
or food service operations licensed under Chapter 3717. of the	899

following applies to the A-1-A permit premises: 928 (1) It is situated on the same parcel or tract of land as 929 the related A-1, A-1c, A-2, A-2f, or A-3a manufacturing permit 930 premises. 931 (2) It is separated from the parcel or tract of land on 932 which is located the A-1, A-1c, A-2, A-2f, or A-3a manufacturing 933 permit premises only by public streets or highways or by other 934 lands owned by the holder of the A-1, A-1c, A-2, A-2f, or A-3a 935 permit and used by the holder in connection with or in promotion 936 of the holder's A-1, A-1c, A-2, A-2f, or A-3a permit business. 937 (3) In the case of an A-1, A-1c, A-2, or A-2f permit 938 holder, it is situated on a parcel or tract of land that is not 939 more than one-half mile from the A-1, A-1c, A-2, or A-2f 940 manufacturing permit premises. 941 (4) In the case of an A-3a permit holder, it is situated 942 on a parcel or tract of land that is not more than two hundred 943 feet from the A-3a manufacturing permit premises. 944 (B) The fee for this permit is three thousand nine hundred 945 six dollars. 946 (C)(1) The holder of an A-1-A permit may sell beer and any 947 intoxicating liquor during the same hours as the holders of D-5 948 permits under this chapter or Chapter 4301. of the Revised Code 949 or the rules of the liquor control commission-and. Except as 950 provided in division (C)(2) of this section, the permit holder 951 shall obtain a license as a retail food establishment or a food 952 service operation pursuant to Chapter 3717. of the Revised Code 953 and operate as a restaurant for purposes of this chapter. 954 (2) <u>In lieu of obtaining a license as a retail food</u> 955 establishment or food service operation, an A-1c permit holder 956

<pre>may do either of the following:</pre>	957
(a) Serve unopened commercially prepackaged meals and	958
nonalcoholic beverages, as well as beer and intoxicating liquor,	959
under the exemption provided for under sections 3717.22 and	960
3717.42 of the Revised Code;	961
(b) Maintain a schedule with the owner or operator of a	962
mobile retail food establishment or a mobile food service	963
operation licensed under Chapter 3717. of the Revised Code to	964
serve food to the A-1-A permit holder's customers. The schedule	965
shall be in writing and agreed upon a week in advance. In	966
addition, the A-1-A permit holder shall maintain the schedule	967
for a minimum of one month.	968
(3) If a permit A-1-A is issued to the holder of an A-1 or	969
A-1c permit, the A-1-A permit holder may sell beer at the A-1-A	970
permit premises dispensed in glass -containers with a capacity	971
that does not exceed one gallon and not for consumption on the	972
premises where sold if all of the following apply:	973
(a) The A-1-A permit premises is situated in the same	974
municipal corporation or township as the related A-1 or A-1c	975
manufacturing permit premises.	976
(b) The containers are sealed, marked, and transported in	977
accordance with division (E) of section 4301.62 of the Revised	978
Code.	979
(c) The containers have been cleaned immediately before	980
being filled in accordance with rule 4301:1-1-28 of the	981
Administrative Code.	982
(D) Except as otherwise provided in this section, the	983
division of liquor control shall not issue a new A-1-A permit to	984
the holder of an A-1, A-1c, A-2, A-2f, or A-3a permit unless the	985

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sale of beer and intoxicating liquor under class D permits is permitted in the precinct in which the A-1, A-1c, A-2, A-2f, or A-3a permit is located and, in the case of an A-2 or A-2f permit, unless the holder of the A-2 or A-2f permit manufactures or has a storage capacity of at least twenty-five thousand gallons of wine per year. The immediately preceding sentence does not prohibit the issuance of an A-1-A permit to an applicant for such a permit who is the holder of an A-1 permit and whose application was filed with the division of liquor control before June 1, 1994. The liquor control commission shall not restrict the number of A-1-A permits which may be located within a precinct.

Sec. 4303.181. (A) Permit D-5a may be issued either to the 998 owner or operator of a hotel or motel that is required to be 999 licensed under section 3731.03 of the Revised Code, that 1000 contains at least fifty rooms for registered transient quests or 1001 is owned by a state institution of higher education as defined 1002 in section 3345.011 of the Revised Code or a private college or 1003 university, and that qualifies under the other requirements of 1004 this section, or to the owner or operator of a restaurant 1005 specified under this section, to sell beer and any intoxicating 1006 liquor at retail, only by the individual drink in glass and from 1007 the container, for consumption on the premises where sold, and 1008 to registered quests in their rooms, which may be sold by means 1009 of a controlled access alcohol and beverage cabinet in 1010 accordance with division (B) of section 4301.21 of the Revised 1011 Code; and to sell the same products in the same manner and 1012 amounts not for consumption on the premises as may be sold by 1013 holders of D-1 and D-2 permits. The premises of the hotel or 1014 motel shall include a retail food establishment or a food 1015 service operation licensed pursuant to Chapter 3717. of the 1016

Revised Code that operates as a restaurant for purposes of this	1017
chapter and that is affiliated with the hotel or motel and	1018
within or contiguous to the hotel or motel, and that serves food	1019
within the hotel or motel, but the principal business of the	1020
owner or operator of the hotel or motel shall be the	1021
accommodation of transient guests. In addition to the privileges	1022
authorized in this division, the holder of a D-5a permit may	1023
exercise the same privileges as the holder of a D-5 permit.	1024

The owner or operator of a hotel, motel, or restaurant who 1025 qualified for and held a D-5a permit on August 4, 1976, may, if 1026 the owner or operator held another permit before holding a D-5a 1027 permit, either retain a D-5a permit or apply for the permit 1028 formerly held, and the division of liquor control shall issue 1029 the permit for which the owner or operator applies and formerly 1030 held, notwithstanding any quota.

A D-5a permit shall not be transferred to another 1032 location. No quota restriction shall be placed on the number of 1033 D-5a permits that may be issued. 1034

The fee for this permit is two thousand three hundred 1035 forty-four dollars.

(B) Permit D-5b may be issued to the owner, operator, 1037 tenant, lessee, or occupant of an enclosed shopping center to 1038 sell beer and intoxicating liquor at retail, only by the 1039 individual drink in glass and from the container, for 1040 consumption on the premises where sold; and to sell the same 1041 products in the same manner and amount not for consumption on 1042 the premises as may be sold by holders of D-1 and D-2 permits. 1043 In addition to the privileges authorized in this division, the 1044 holder of a D-5b permit may exercise the same privileges as a 1045 holder of a D-5 permit. 1046

A D-5b permit	shall not be	transferred to	another 104	47
location.			104	48

One D-5b permit may be issued at an enclosed shopping 1049 center containing at least two hundred twenty-five thousand, but 1050 less than four hundred thousand, square feet of floor area. 1051

Two D-5b permits may be issued at an enclosed shopping 1052 center containing at least four hundred thousand square feet of 1053 floor area. No more than one D-5b permit may be issued at an 1054 enclosed shopping center for each additional two hundred 1055 thousand square feet of floor area or fraction of that floor 1056 area, up to a maximum of five D-5b permits for each enclosed 1057 shopping center. The number of D-5b permits that may be issued 1058 at an enclosed shopping center shall be determined by 1059 subtracting the number of D-3 and D-5 permits issued in the 1060 enclosed shopping center from the number of D-5b permits that 1061 otherwise may be issued at the enclosed shopping center under 1062 the formulas provided in this division. Except as provided in 1063 this section, no quota shall be placed on the number of D-5b 1064 permits that may be issued. Notwithstanding any quota provided 1065 in this section, the holder of any D-5b permit first issued in 1066 accordance with this section is entitled to its renewal in 1067 accordance with section 4303.271 of the Revised Code. 1068

The holder of a D-5b permit issued before April 4, 1984, 1069 whose tenancy is terminated for a cause other than nonpayment of 1070 rent, may return the D-5b permit to the division of liquor 1071 control, and the division shall cancel that permit. Upon 1072 cancellation of that permit and upon the permit holder's payment 1073 of taxes, contributions, premiums, assessments, and other debts 1074 owing or accrued upon the date of cancellation to this state and 1075 its political subdivisions and a filing with the division of a 1076

certification of that payment, the division shall issue to that	1077
person either a D-5 permit, or a D-1, a D-2, and a D-3 permit,	1078
as that person requests. The division shall issue the D-5 $$	1079
permit, or the D-1, D-2, and D-3 permits, even if the number of	1080
D-1, $D-2$, $D-3$, or $D-5$ permits currently issued in the municipal	1081
corporation or in the unincorporated area of the township where	1082
that person's proposed premises is located equals or exceeds the	1083
maximum number of such permits that can be issued in that	1084
municipal corporation or in the unincorporated area of that	1085
township under the population quota restrictions contained in	1086
section 4303.29 of the Revised Code. Any D-1, D-2, D-3, or D-5	1087
permit so issued shall not be transferred to another location.	1088
If a D-5b permit is canceled under the provisions of this	1089
paragraph, the number of D-5b permits that may be issued at the	1090
enclosed shopping center for which the D-5b permit was issued,	1091
under the formula provided in this division, shall be reduced by	1092
one if the enclosed shopping center was entitled to more than	1093
one D-5b permit under the formula.	1094

The fee for this permit is two thousand three hundred 1095 forty-four dollars.

(C) Permit D-5c may be issued to the owner or operator of 1097 a retail food establishment or a food service operation licensed 1098 pursuant to Chapter 3717. of the Revised Code that operates as a 1099 restaurant for purposes of this chapter and that qualifies under 1100 the other requirements of this section to sell beer and any 1101 intoxicating liquor at retail, only by the individual drink in 1102 glass and from the container, for consumption on the premises 1103 where sold, and to sell the same products in the same manner and 1104 amounts not for consumption on the premises as may be sold by 1105 holders of D-1 and D-2 permits. In addition to the privileges 1106 authorized in this division, the holder of a D-5c permit may 1107

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exercise the same privileges as the holder of a D-5 permit.

To qualify for a D-5c permit, the owner or operator of a 1109 retail food establishment or a food service operation licensed 1110 pursuant to Chapter 3717. of the Revised Code that operates as a 1111 restaurant for purposes of this chapter, shall have operated the 1112 restaurant at the proposed premises for not less than twenty-1113 four consecutive months immediately preceding the filing of the 1114 application for the permit, have applied for a D-5 permit no 1115 later than December 31, 1988, and appear on the division's quota 1116 waiting list for not less than six months immediately preceding 1117 the filing of the application for the permit. In addition to 1118 these requirements, the proposed D-5c permit premises shall be 1119 located within a municipal corporation and further within an 1120 election precinct that, at the time of the application, has no 1121 more than twenty-five per cent of its total land area zoned for 1122 residential use. 1123

A D-5c permit shall not be transferred to another 1124 location. No quota restriction shall be placed on the number of 1125 such permits that may be issued. 1126

Any person who has held a D-5c permit for at least two

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years may apply for a D-5 permit, and the division of liquor

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control shall issue the D-5 permit notwithstanding the quota

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restrictions contained in section 4303.29 of the Revised Code or

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in any rule of the liquor control commission.

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The fee for this permit is one thousand five hundred 1132 sixty-three dollars. 1133

(D) (1) Permit D-5d may be issued to the owner or operator

of a retail food establishment or a food service operation

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licensed pursuant to Chapter 3717. of the Revised Code that

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operates as a restaurant for purposes of this chapter and that	1137
is located at an airport operated by a municipal corporation, at	1138
an airport operated by a board of county commissioners pursuant	1139
to section 307.20 of the Revised Code, at an airport operated by	1140
a port authority pursuant to Chapter 4582. of the Revised Code,	1141
or at an airport operated by a regional airport authority	1142
pursuant to Chapter 308. of the Revised Code. The	1143
(2) The holder of a D-5d permit may sell beer either of	1144
<pre>the following:</pre>	1145
(a) Beer and any intoxicating liquor at retail, only by	1146
the individual drink in glass and from the container, for	1147
consumption on the premises where sold, and may sell . In	1148
addition, such consumption may occur in the area of the airport	1149
terminal that is restricted to persons taking flights to and	1150
from the airport, provided all of the following apply:	1151
(i) The airport's governing body authorizes the	1152
consumption of beer and intoxicating liquor in that area.	1153
(ii) The D-5d permit holder is located in that area.	1154
(iii) The airport is a public-use airport, as defined in	1155
section 4563.30 of the Revised Code, that has commercial flight	1156
activity and has one or more passenger or property screening	1157
checkpoints or restricted areas used as security measures.	1158
(iv) The beer or intoxicating liquor is served solely in	1159
plastic bottles or other plastic containers that clearly	1160
identify the D-5d permit holder.	1161
(b) The the same products in the same manner and amounts	1162
not for consumption on the premises where sold as may be sold by	1163
the holders of D-1 and D-2 permits. $\frac{1}{1}$	1164

in any rule of the liquor control commission shall not apply to

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this division, and the division shall issue a D-5e permit to any	1193
applicant who meets the requirements of this division. However,	1194
the division shall not issue a D-5e permit if the permit	1195
premises or proposed permit premises are located within an area	1196
in which the sale of spirituous liquor by the glass is	1197
prohibited.	1198
The fee for this permit is one thousand two hundred	1199
nineteen dollars.	1200
(F) Permit D-5f may be issued to the owner or operator of	1201
a retail food establishment or a food service operation licensed	1202
under Chapter 3717. of the Revised Code that operates as a	1203
restaurant for purposes of this chapter and that meets all of	1204
the following:	1205
(1) It contains not less than twenty-five hundred square	1206
feet of floor area.	1207
(2) It is located on or in, or immediately adjacent to,	1208
the shoreline of, a navigable river.	1209
(3) It provides docking space for twenty-five boats.	1210
(4) It provides entertainment and recreation, provided	1211
that not less than fifty per cent of the business on the permit	1212
premises shall be preparing and serving meals for a	1213
consideration.	1214
In addition, each application for a D-5f permit shall be	1215
accompanied by a certification from the local legislative	1216
authority that the issuance of the D-5f permit is not	1217
inconsistent with that political subdivision's comprehensive	1218
development plan or other economic development goal as	1219
officially established by the local legislative authority.	1220

(H) (1) Permit D-5h may be issued to any nonprofit

organization that is exempt from federal income taxation under

the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A.

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a retail food establishment or a food service operation licensed	1279
under Chapter 3717. of the Revised Code that operates as a	1280
restaurant for purposes of this chapter and that meets all of	1281
the following requirements:	1282
(1) It is located in a municipal corporation or a township	1283
with a population of one hundred thousand or less.	1284
(2) It has inside seating capacity for at least one	1285
hundred forty persons.	1286
(3) It has at least four thousand square feet of floor	1287
area.	1288
(4) It offers full-course meals, appetizers, and	1289
sandwiches.	1290
(5) Its receipts from beer and liquor sales, excluding	1291
wine sales, do not exceed twenty-five per cent of its total	1292
gross receipts.	1293
(6) It has at least one of the following characteristics:	1294
(a) The value of its real and personal property exceeds	1295
seven hundred twenty-five thousand dollars.	1296
(b) It is located on property that is owned or leased by	1297
the state or a state agency, and its owner or operator has	1298
authorization from the state or the state agency that owns or	1299
leases the property to obtain a D-5i permit.	1300
	1 2 0 1
The holder of a D-5i permit may sell beer and any	1301
intoxicating liquor at retail, only by the individual drink in	1302
glass and from the container, for consumption on the premises	1303
where sold, and may sell the same products in the same manner	1304
and amounts not for consumption on the premises where sold as	1305
may be sold by the holders of D-1 and D-2 permits. The holder of	1306

a D-5i permit shall sell no beer or intoxicating liquor for	1307
consumption on the premises where sold after two-thirty a.m. In	1308
addition to the privileges authorized in this division, the	1309
holder of a D-5i permit may exercise the same privileges as the	1310
holder of a D-5 permit.	1311

A D-5i permit shall not be transferred to another 1312 location. The division of liquor control shall not renew a D-5i 1313 permit unless the retail food establishment or food service 1314 operation for which it is issued continues to meet the 1315 requirements described in divisions (I)(1) to (6) of this 1316 section. No quota restrictions shall be placed on the number of 1317 D-5i permits that may be issued. The fee for the D-5i permit is 1318 two thousand three hundred forty-four dollars. 1319

(J) Permit D-5j may be issued to the owner or the operator 1320 of a retail food establishment or a food service operation 1321 licensed under Chapter 3717. of the Revised Code to sell beer 1322 and intoxicating liquor at retail, only by the individual drink 1323 in glass and from the container, for consumption on the premises 1324 where sold and to sell beer and intoxicating liquor in the same 1325 manner and amounts not for consumption on the premises where 1326 sold as may be sold by the holders of D-1 and D-2 permits. The 1327 holder of a D-5j permit may exercise the same privileges, and 1328 shall observe the same hours of operation, as the holder of a D-1329 5 permit. 1330

The D-5j permit shall be issued only within a community

entertainment district that is designated under section 4301.80

of the Revised Code. The permit shall not be issued to a

community entertainment district that is designated under

divisions (B) and (C) of section 4301.80 of the Revised Code if

the district does not meet one of the following qualifications:

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twenty-five hundred bona fide members.

(2) The holder of a D-5k permit may sell beer and any

purposes of division (L)(2)(d)(iv) of this section, the	1451
population of a township is considered to be the population	1452
shown by the most recent regular federal decennial census.	1453
(v) It is located in a municipal corporation that is	1454
wholly located within the geographic boundaries of a township,	1455
provided that the municipal corporation and the unincorporated	1456
portion of the township have a combined population density of	1457
less than four hundred fifty people per square mile. For	1458
purposes of division (L)(2)(d)(v) of this section, the	1459
population of a municipal corporation and unincorporated portion	1460
of a township is the population shown by the most recent federal	1461
decennial census.	1462
(vi) It is located in a county with a population of not	1463
less than one hundred seventy-two thousand and not more than one	1464
hundred ninety-five thousand. For purposes of division (L)(2)(d)	1465
(vi) of this section, the population of a county is the	1466
population shown by the most recent decennial census.	1467
(vii) It is located in a municipal corporation with a	1468
population of less than ten thousand and the municipal	1469
corporation is located in a county with a population of more	1470
than one million. For purposes of division (L)(2)(d)(vii) of	1471
this section, the population of a municipal corporation and a	1472
county is the population shown by the most recent decennial	1473
census.	1474
(3) The location of a D-51 permit may be transferred only	1475
within the geographic boundaries of the revitalization district	1476
in which it was issued and shall not be transferred outside the	1477
geographic boundaries of that district.	1478
(4) Not more than one D-51 permit shall be issued within	1479

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each revitalization district for each five acres of land located	1480
within the district. Not more than fifteen D-51 permits may be	1481
issued within a single revitalization district. Except as	1482
otherwise provided in division (L)(4) of this section, no quota	1483
restrictions shall be placed upon the number of D-51 permits	1484
that may be issued.	1485

- (5) No D-51 permit shall be issued to an adult entertainment establishment as defined in section 2907.39 of the Revised Code.
- (6) The fee for a D-51 permit is two thousand three 1489 hundred forty-four dollars.
- (M) Permit D-5m may be issued to either the owner or the 1491 operator of a retail food establishment or food service 1492 operation licensed under Chapter 3717. of the Revised Code that 1493 operates as a restaurant for purposes of this chapter and that 1494 is located in, or affiliated with, a center for the preservation 1495 of wild animals as defined in section 4301.404 of the Revised 1496 Code, to sell beer and any intoxicating liquor at retail, only 1497 by the glass and from the container, for consumption on the 1498 premises where sold, and to sell the same products in the same 1499 manner and amounts not for consumption on the premises as may be 1500 sold by the holders of D-1 and D-2 permits. In addition to the 1501 privileges authorized by this division, the holder of a D-5m 1502 permit may exercise the same privileges as the holder of a D-5 1503 permit. 1504

A D-5m permit shall not be transferred to another 1505 location. No quota restrictions shall be placed on the number of 1506 D-5m permits that may be issued. The fee for a permit D-5m is 1507 two thousand three hundred forty-four dollars. 1508

(N) Permit D-5n shall be issued to either a casino	1509
operator or a casino management company licensed under Chapter	1510
3772. of the Revised Code that operates a casino facility under	1511
that chapter, to sell beer and any intoxicating liquor at	1512
retail, only by the individual drink in glass and from the	1513
container, for consumption on the premises where sold, and to	1514
sell the same products in the same manner and amounts not for	1515
consumption on the premises as may be sold by the holders of D-1 $$	1516
and D-2 permits. In addition to the privileges authorized by	1517
this division, the holder of a D-5n permit may exercise the same	1518
privileges as the holder of a D-5 permit. A D-5n permit shall	1519
not be transferred to another location. Only one D-5n permit may	1520
be issued per casino facility and not more than four D-5n	1521
permits shall be issued in this state. The fee for a permit $D-5n$	1522
shall be twenty thousand dollars. The holder of a D-5n permit	1523
may conduct casino gaming on the permit premises notwithstanding	1524
any provision of the Revised Code or Administrative Code.	1525

(O) Permit D-50 may be issued to the owner or operator of 1526 a retail food establishment or a food service operation licensed 1527 under Chapter 3717. of the Revised Code that operates as a 1528 restaurant for purposes of this chapter and that is located 1529 within a casino facility for which a D-5n permit has been 1530 issued. The holder of a D-50 permit may sell beer and any 1531 intoxicating liquor at retail, only by the individual drink in 1532 glass and from the container, for consumption on the premises 1533 where sold, and may sell the same products in the same manner 1534 and amounts not for consumption on the premises where sold as 1535 may be sold by the holders of D-1 and D-2 permits. In addition 1536 to the privileges authorized by this division, the holder of a 1537 D-50 permit may exercise the same privileges as the holder of a 1538 D-5 permit. A D-50 permit shall not be transferred to another 1539

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sixteen ounces for consumption on the premises where sold.	1568
The F-11 permit holder may sell beer on the F-11 permit	1569
premises only where and when the sale of beer is otherwise	1570
permitted by law.	1571
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(D) The F-11 permit holder shall clearly define and	1572
sufficiently restrict the premises of the event to allow proper	1573
enforcement of the permit by state and local law enforcement	1574
officers. If an F-11 permit is issued for all or a portion of	1575
the same premises for which another class of permit is issued,	1576
that permit holder's privileges are suspended in that portion of	1577
the premises in which the F-11 permit is in effect.	1578
(E)(1) No F-11 permit is effective for more than seventy-	1579
two consecutive hours. However, for purposes of an exposition at	1580
the state fairgrounds, an F-11 permit is effective for the	1581
duration of the exposition.	1582
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(2) No sales of beer shall take place under an F-11 permit	1583
after one a.m.	1584
(F) The division shall not issue more than six F-11	1585
permits to the same nonprofit organization in any one calendar	1586
year.	1587
(G) An applicant for an F-11 permit shall apply for the	1588
permit not later than thirty days prior to the first day of the	1589
event for which the permit is sought. In the application, the	1590
applicant shall list all of the A-1 and A-1c permit holders that	1591
will participate in the event. The fee for the F-11 permit is	1592
	1592
sixty dollars for each day of the event.	1393
The division shall prepare and make available an F-11	1594
permit application form and may require applicants for and	1595
holders of the F-11 permit to provide information that is in	1596

addition to that required by this section and that is necessary	1597
for the administration of this section.	1598
(H)(1) An F-11 permit holder is responsible, and is	1599
subject to penalties, for any violations of this chapter or	1600
Chapter 4301. of the Revised Code that occur during the event.	1601
(2) An F-11 permit holder shall not allow an A-1 or A-1c	1602
permit holder to participate in the event if the A-1 or A-1c	1603
permit or, if applicable, the A-1-A permit of that A-1 or A-1c	1604
permit holder is under suspension.	1605
(3) The division may refuse to issue an F-11 permit to an	1606
applicant if both of the following apply:	1607
(a) The applicant has pleaded guilty to or has been	1608
convicted of violating this chapter or Chapter 4301. of the	1609
Revised Code while operating under a previously issued F-11	1610
permit.	1611
(b) The violation occurred within the two years preceding	1612
the filing of the new F-11 permit application.	1613
(I) Notwithstanding any provision of section 4301.24 of	1614
the Revised Code or any rule adopted by the liquor control	1615
commission to the contrary, employees of an A-1 or A-1c permit	1616
holder or B-1 permit holder, or employees or agents of a B-1	1617
permit holder may assist an F-11 permit holder in serving beer	1618
at an event for which an F-11 permit is issued.	1619
Section 2. That existing sections 3717.22, 3717.42,	1620
4301.01, 4301.101, 4301.24, 4301.62, 4303.021, and 4303.181 of	1621
the Revised Code are hereby repealed.	1622
Section 3. The provisions of this act are severable as	1623
provided in section 1.50 of the Revised Code.	1624

Sub. H. B. No. 674 As Reported by the Senate Agriculture and Natural Resources Committee	Page 58
Section 4. Section 4303.021 of the Revised Code is	1625
presented in this act as a composite of the section as amended	1626
by both H.B. 342 and H.B. 351 of the 131st General Assembly. The	1627
General Assembly, applying the principle stated in division (B)	1628
of section 1.52 of the Revised Code that amendments are to be	1629
harmonized if reasonably capable of simultaneous operation,	1630
finds that the composite is the resulting version of the section	1631

in effect prior to the effective date of the section as

presented in this act.

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