



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 669  
133<sup>rd</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 669's Bill Analysis](#)

**Version:** As Passed by the House

**Primary Sponsors:** Reps. Swearingen and LaRe

**Local Impact Statement Procedure Required:** No

Terry Steele, Senior Budget Analyst

### Highlights

- The bill allows the sale and delivery of beer and intoxicating liquor by qualifying retail permit holders to personal consumers. There could be some costs to political subdivisions to ensure compliance with the bill's provisions.
- There are nearly 45,400 permits issued to establishments that would be eligible to deliver alcoholic beverages to personal consumers.
- The bill expands alcohol sales to certain outdoor sales and parking lots. If the expansion of these selling areas reaches public property, permit holders must receive written authority from either a municipal corporation or township.
- The bill declares an emergency and would thus go into immediate effect.

### Detailed Analysis

#### Liquor and beer delivery

The bill permits the sale and delivery of beer and intoxicating liquor by qualifying retail permit holders to personal consumers. Specifically, the bill allows bars, restaurants, small breweries, micro-distilleries, and wineries to sell beer, wine, or intoxicating liquor to personal consumers. The retail permit holders must sell only those types and amounts of alcohol as specified by the permit. This includes micro-distilleries, provided they have entered into a contract with the Division of Liquor Control within the Department of Commerce. Please see the LSC bill analysis for a list of all permit types permitted under the bill.

There does not appear to be any direct effect to the Division of Liquor Control related to the authority granted in the bill. However, political subdivisions could experience increased costs associated with enforcing compliance with the newly granted authority under the bill. Currently, local governments receive a portion of all liquor permit revenue collected by the

Undivided Liquor Permit Fund (Fund 7066). In FY 2019, approximately \$15.0 million was transferred from Fund 7066 to local taxing districts for liquor enforcement based upon the number of permitted establishments in each political subdivision. Ultimately, the number of establishments that elect to use the authority in the bill will impact the enforcement costs to political subdivisions. The table below shows the total number of permits issued to establishments that would be eligible to sell alcohol for delivery under the bill. It is possible that some establishments may hold multiple permits contained in the table below.

| Active Licenses for Eligible Permits |                                 |               |
|--------------------------------------|---------------------------------|---------------|
| Permit Class                         | Permit Type                     | Active Permit |
| A-Class Permits                      | Breweries/Wineries/Distilleries | 1,105         |
| C-Class Permits                      | Retail Carry Outs               | 18,037        |
| D-Class Permits                      | Bars/Clubs/Restaurants          | 26,247        |
| <b>Total</b>                         |                                 | <b>45,389</b> |

## Expansion of sales areas

The bill expands the areas in which retail permit holders may sell alcoholic beverages to include certain outdoor areas and the parking lots. If the retail permit holder, under this provision, has outdoor sales that are on public property, the permit holder must obtain written support of either the executive officer of a municipal corporation or the township trustees of a township located in an unincorporated area. If either of these authorities do not approve such a request, the permit holder may appeal the decision to the legislative authorities of either the municipal corporation or township. There could be some minimal costs for these political subdivisions related to this provision. The retail permit holder, upon approval, must notify the Division of Liquor Control and Investigative Unit of the Department of Public Safety one day before the expansion occurs.