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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 306
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 306's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Hillyer and Barhorst

Local Impact Statement Procedure Required: No

Terry Steele, Senior Budget Analyst

The bill appears to have no direct fiscal effect on the state or political subdivisions. It does not appear to affect any required permits or require any actions by the Division of Liquor Control within the Department of Commerce or political subdivisions. The bill makes two primary changes, exempting certain brewers from the Alcohol Franchise Law, and modifying liquor permits for brewers.

First, the bill exempts certain brewers, specifically those that annually manufacture less than 250,000 barrels of beer (approximately 7.8 million gallons), from the Alcohol Franchise Law. The bill therefore allows these brewers to enter franchise agreements that are not subject to the general requirements of the Alcohol Franchise Law (see the [LSC bill analysis](#) for details). As of this writing, there are approximately 400 small or craft breweries in Ohio that would fall under the exemption in the bill.

Secondly, the bill makes two changes to the liquor permits issued to large and small brewers (A-1 and A-1c permits). First, the bill eliminates the authority of large brewers to sell beer in bottles or containers for home use. Secondly, the bill eliminates the authority of a small brewer whose total beer production exceeded 250,000 gallons of beer to sell beer in bottles or containers for home use and to retail permit holders. It does not appear as though these changes in the bill would affect the number of liquor permits issued to either large or small brewers. Consequently, the bill is unlikely to have any fiscal impact on the Division of Liquor Control.