



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** H.B. 393 of the 131st G.A.

**Date:** November 24, 2015

**Status:** As Introduced

**Sponsor:** Rep. Blessing

**Local Impact Statement Procedure Required:** No

**Contents:** Exempts persons in a market from the open container law under certain conditions

### State Fiscal Highlights

- The bill allows for the consumption of beer or spirituous liquor in an open container that was purchased from an adjacent D liquor permit holder from a market that is hosting an event under an F-8 liquor permit and has been in operation since 1860. There seems to be one such market in this state that would qualify under this exemption. This may result in up to a handful of additional D liquor permit applications and issuances by the Division of Liquor Control within the Department of Commerce.

### Local Fiscal Highlights

- There could be increased costs for local enforcement to ensure that consumption is confined to the F-8 liquor permit premises located in the market. However, the added costs would be at least partially offset by revenue from more citations being issued for open container violations. Open container violations are a minor misdemeanor with a maximum fine of \$150.

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## Detailed Fiscal Analysis

### Overview

Generally, under current law a person is prohibited from carrying an open container of beer or liquor in any public place. However, certain exceptions of the law exist, most often for festivals and other temporary events held in streets and parks. Under the bill, a person who purchases beer or intoxicating liquor from a D liquor permit holder that is located immediately adjacent to a market is permitted to have that beverage in an open container at that particular market. The market must be hosting an event pursuant to an F-8 liquor permit and must grant permission for the possession and consumption of the purchased open container within the defined F-8 permit premises. The bill defines a market as one that has been in operation since 1860 and which holds an F-8 liquor permit. The Findlay Market in Cincinnati seems to be the only such location.

### Fiscal effects

The bill allows for the consumption of beer or spirituous liquor in an open container so long as these beverages are purchased from a D liquor permit holder located immediately adjacent to the market holding an event pursuant to an F-8 liquor permit. As a result, there could be a handful of additional D liquor permit applications and issuances by the Division of Liquor Control (DOLC) within the Department of Commerce. Fees for D liquor permits range from \$300 to \$2,344.<sup>1</sup> Liquor permit fees are collected by DOLC and deposited into the Undivided Liquor Permit Fund (Fund 7066), and then distributed to the State Liquor Regulatory Fund (Fund 5LP0) used by DOLC (45%), the local taxing district where the permit is issued (35%), and the Statewide Treatment and Prevention Fund (Fund 4750) used by the Department of Mental Health and Addiction Services (20%).

There could be some minimal additional costs for local law enforcement as a result of the bill. Specifically, there could be more people prosecuted for open container violations if individuals leave the market F-8 liquor premises with an open container. These costs would be at least partially offset by the amount of revenue the city of Cincinnati would receive from (1) its share of any new liquor permit fees, and (2) more citations being issued for open container violations. The local taxing district where a new permit is issued receives 35% of the permit revenue that was paid to DOLC. The fine for an open container violation is a maximum of \$150.

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<sup>1</sup> This range does not include the D5N liquor permit which is for casino operators or casino management companies. The fee for a D5N liquor permit is \$20,000.