## As Reported by the House State Government Committee

# 128th General Assembly Regular Session 2009-2010

Sub. H. B. No. 445

#### **Representative Letson**

Cosponsors: Representatives Domenick, McGregor, Yuko, Bolon, Hagan, Gerberry, Mallory, Sayre, Williams, B.

### A BILL

То	amend sections 4301.62 and 4303.29 and to enact	1
	sections 4301.82 and 4303.235 of the Revised Code	2
	to establish local entertainment districts in	3
	municipal corporations or unincorporated areas of	4
	counties of specified populations for the purpose	5
	of the issuance of D-1, D-2, and D-5 liquor	6
	permits under specified conditions and to create	7
	the T-1 permit	8

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

Section 1. That sections 4301.62 and 4303.29 be amended and	9
sections 4301.82 and 4303.235 of the Revised Code be enacted to	10
read as follows:	11
Sec. 4301.62. (A) As used in this section:	12
(1) "Chauffeured limousine" means a vehicle registered under	13
section 4503.24 of the Revised Code.	14
(2) "Street," "highway," and "motor vehicle" have the same	15
meanings as in section 4511.01 of the Revised Code.	16
(B) No person shall have in the person's possession an opened	17

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- (d) Beer or intoxicating liquor to be consumed during48tastings and samplings approved by rule of the liquor control49commission.50
- (2) A person may have in the person's possession on an F 51 liquor permit premises an opened container of beer or intoxicating 52 liquor that was not purchased from the holder of the F permit if 53 the premises for which the F permit is issued is a music festival 54 and the holder of the F permit grants permission for that 55 possession on the premises during the period for which the F 56 permit is issued. As used in this division, "music festival" means 57 a series of outdoor live musical performances, extending for a 58 period of at least three consecutive days and located on an area 59 of land of at least forty acres. 60
- (3)(a) A person may have in the person's possession on a D-2 61 liquor permit premises an opened or unopened container of wine 62 that was not purchased from the holder of the D-2 permit if the 63 premises for which the D-2 permit is issued is an outdoor 64 performing arts center, the person is attending an orchestral 65 performance, and the holder of the D-2 permit grants permission 66 for the possession and consumption of wine in certain 67 predesignated areas of the premises during the period for which 68 the D-2 permit is issued. 69
  - (b) As used in division (C)(3)(a) of this section:
- (i) "Orchestral performance" means a concert comprised of agroup of not fewer than forty musicians playing various musical72instruments.73
- (ii) "Outdoor performing arts center" means an outdoor
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  performing arts center that is located on not less than eight
  hundred acres of land and that is open for performances from the
  first day of April to the last day of October of each year.
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  - (4) A person may have in the person's possession an opened or

unopened container of beer or intoxicating liquor at an outdoor	79
location at which the person is attending an orchestral	80
performance as defined in division (C)(3)(b)(i) of this section if	81
the person with supervision and control over the performance	82
grants permission for the possession and consumption of beer or	83
intoxicating liquor in certain predesignated areas of that outdoor	84
location.	85
(D) This section does not apply to a person who pays all or a	86
portion of the fee imposed for the use of a chauffeured limousine	87
pursuant to a prearranged contract, or the guest of the person,	88
when all of the following apply:	89
(1) The person or guest is a passenger in the limousine.	90
(2) The person or guest is located in the limousine, but is	91
not occupying a seat in the front compartment of the limousine	92
where the operator of the limousine is located.	93
(3) The limousine is located on any street, highway, or other	94
public or private property open to the public for purposes of	95
vehicular travel or parking.	96
(E) An opened bottle of wine that was purchased from the	97
holder of a permit that authorizes the sale of wine for	98
consumption on the premises where sold is not an opened container	99
for the purposes of this section if both of the following apply:	100
(1) The opened bottle of wine is securely resealed by the	101
permit holder or an employee of the permit holder before the	102
bottle is removed from the premises. The bottle shall be secured	103
in such a manner that it is visibly apparent if the bottle has	104

(2) The opened bottle of wine that is resealed in accordance 106 with division (E)(1) of this section is stored in the trunk of a 107 motor vehicle or, if the motor vehicle does not have a trunk, 108 behind the last upright seat or in an area not normally occupied 109

been subsequently opened or tampered with.

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by the driver or passengers and not easily accessible by the	110
driver.	111
Sec. 4301.82. (A) As used in this section:	112
(1) "Local entertainment district" means a bounded area that	113
includes or will include a combination of entertainment, retail,	114
educational, sporting, social, cultural, or arts establishments	115
within close proximity to some or all of the following types of	116
establishments within the district, or other types of	117
establishments similar to these:	118
(a) Hotels;	119
(b) Restaurants;	120
(c) Retail sales establishments;	121
(d) Enclosed shopping centers;	122
(e) Museums;	123
(f) Performing arts theaters;	124
(g) Motion picture theaters;	125
(h) Night clubs;	126
(i) Convention facilities;	127
(j) Sports facilities;	128
(k) Entertainment facilities or complexes;	129
(1) Any combination of the establishments described in	130
divisions (A)(1)(a) to (k) of this section that provide similar	131
services to the community.	132
(2) "Municipal corporation" means a municipal corporation	133
with a population of less than one hundred thousand.	134
(3) "County" means a county with a population of more than	135
one hundred twenty-five thousand.	136

(B) Any owner of property located in a municipal corporation	137
seeking to have that property, or that property and other	138
surrounding property, designated as a local entertainment district	139
shall file an application seeking this designation with the mayor	140
of the municipal corporation in which that property is located.	141
Any owner of property located in the unincorporated area of a	142
county seeking to have that property, or that property and other	143
surrounding property, designated as a local entertainment district	144
shall file an application seeking this designation with the board	145
of county commissioners of the county in whose unincorporated area	146
that property is located. An application to designate an area as a	147
local entertainment district shall contain all of the following:	148
(1) The applicant's name and address;	149
(2) A map or survey of the proposed local entertainment	150
district in sufficient detail to identify the boundaries of the	151
district and the property owned by the applicant;	152
(3) A general statement of the nature and types of	153
establishments described in division (A) of this section that are	154
or will be located within the proposed local entertainment	155
district and any other establishments located in the proposed	156
local entertainment district that are not described in division	157
(A) of this section;	158
(4) If some or all of the establishments within the proposed	159
local entertainment district have not yet been developed, the	160
proposed time frame for completing the development of these	161
<u>establishments;</u>	162
(5) Evidence that the uses of land within the proposed local	163
entertainment district are in accord with the municipal	164
corporation's or county's master zoning plan or map;	165
(6) A handling and processing fee to accompany the	166
application, payable to the applicable municipal corporation or	167

application.

Within seventy-five days after the date the application is	200
filed with the mayor of a municipal corporation, the legislative	201
authority of the municipal corporation by ordinance or resolution	202
shall approve or disapprove the application based on whether the	203
proposed local entertainment district does or will substantially	204
contribute to entertainment, retail, educational, sporting,	205
social, cultural, or arts opportunities for the community. The	206
community considered shall at a minimum include the municipal	207
corporation in which the community is located. Any approval of an	208
application shall be by an affirmative majority vote of the	209
legislative authority. Not more than one local entertainment	210
district shall be designated within the municipal corporation.	211
Within seventy-five days after the date the application is	212
filed with a board of county commissioners, the board by	213
resolution shall approve or disapprove the application based on	214
whether the proposed local entertainment district does or will	215
substantially contribute to entertainment, retail, educational,	216
sporting, social, cultural, or arts opportunities for the	217
community. The community considered shall at a minimum include at	218
least a portion of the county in which the community is located.	219
Any approval of an application shall be by an affirmative majority	220
vote of the board of county commissioners. Not more than one local	221
entertainment district shall be designated within the	222
unincorporated area of the county.	223
If the municipal legislative authority or board of county	224
commissioners disapproves the application, the applicant may make	225
changes in the application to secure its approval by the	226
legislative authority or board of county commissioners. Any area	227
approved by the legislative authority or board of county	228
commissioners constitutes a local entertainment district.	229
(D) All or part of an area designated as a local	230
entertainment district may lose this designation as provided in	231

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permit business in this state. No holder of a permit shall sell,

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assign, transfer, or pledge the permit without the written consent	293
of the division.	294
(B)(1) No D-3 permit shall be issued to any club unless the	295
club has been continuously engaged in the activity specified in	296
section 4303.15 of the Revised Code, as a qualification for that	297
class of permit, for two years at the time the permit is issued.	298
(2)(a) Subject to division (B)(2)(b) of this section, upon	299
application by properly qualified persons, one C-1 and C-2 permit	300
shall be issued for each one thousand population or part of that	301
population, and one D-1 and D-2 permit shall be issued for each	302
two thousand population or part of that population, in each	303
municipal corporation and in the unincorporated area of each	304
township.	305
Subject to division (B)(2)(b) of this section, not more than	306
one D-3, D-4, or D-5 permit shall be issued for each two thousand	307
population or part of that population in any municipal corporation	308
and in the unincorporated area of any township, except that, in	309
any city of a population of fifty-five thousand or more, one D-3	310
permit may be issued for each fifteen hundred population or part	311
of that population.	312
(b)(i) Division (B)(2)(a) of this section does not prohibit	313
the transfer of location or the transfer of ownership and location	314
of a C-1, C-2, D-1, D-2, D-3, or D-5 permit from a municipal	315
corporation or the unincorporated area of a township in which the	316
number of permits of that class exceeds the number of such permits	317
authorized to be issued under division (B)(2)(a) of this section	318
to an economic development project located in another municipal	319
corporation or the unincorporated area of another township in	320
which no additional permits of that class may be issued to the	321
applicant under division (B)(2)(a) of this section, but the	322
transfer of location or transfer of ownership and location of the	323

permit may occur only if the applicant notifies the municipal

corporation or township to which the location of the permit will	325
be transferred regarding the transfer and that municipal	326
corporation or township acknowledges in writing to the division of	327
liquor control, at the time the application for the transfer of	328
location or transfer of ownership and location of the permit is	329
filed, that the transfer will be to an economic development	330
project. This acknowledgment by the municipal corporation or	331
township does not prohibit it from requesting a hearing under	332
section 4303.26 of the Revised Code. The applicant is eligible to	333
apply for and receive the transfer of location of the permit under	334
division (B)(2)(b) of this section if all permits of that class	335
that may be issued under division (B)(2)(a) of this section in the	336
applicable municipal corporation or unincorporated area of the	337
township have already been issued or if the number of applications	338
filed for permits of that class in that municipal corporation or	339
the unincorporated area of that township exceed the number of	340
permits of that class that may be issued there under division	341
(B)(2)(a) of this section.	342

A permit transferred under division (B)(2)(b) of this section 343 may be subsequently transferred to a different owner at the same 344 location, or to the same owner or a different owner at a different 345 location in the same municipal corporation or in the 346 unincorporated area of the same township, as long as the same or 347 new location meets the economic development project criteria set 348 forth in this section.

(ii) Factors that shall be used to determine the designation 350 of an economic development project include, but are not limited 351 to, architectural certification of the plans and the cost of the 352 project, the number of jobs that will be created by the project, 353 projected earnings of the project, projected tax revenues for the 354 political subdivisions in which the project will be located, and 355 the amount of financial investment in the project. The 356

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superintendent of liquor control shall determine whether the

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existing or proposed business that is seeking a permit described
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in division (B)(2)(b) of this section qualifies as an economic
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development project and, if the superintendent determines that it
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so qualifies, shall designate the business as an economic
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development project.
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- (3) Nothing in this section shall be construed to restrict 363 the issuance of a permit to a municipal corporation for use at a 364 municipally owned airport at which commercial airline companies 365 operate regularly scheduled flights on which space is available to 366 the public. A municipal corporation applying for a permit for such 367 a municipally owned airport is exempt, in regard to that 368 application, from the population restrictions contained in this 369 section and from population quota restrictions contained in any 370 rule of the liquor control commission. A municipal corporation 371 applying for a D-1, D-2, D-3, D-4, or D-5 permit for such a 372 municipally owned airport is subject to section 4303.31 of the 373 Revised Code. 374
- (4) Nothing in this section shall be construed to prohibit the issuance of a D permit to the board of trustees of a soldiers' memorial for a premises located at a soldiers' memorial established pursuant to Chapter 345. of the Revised Code. An application for a D permit by the board for those premises is exempt from the population restrictions contained in this section and from the population quota restrictions contained in any rule of the liquor control commission. The location of a D permit issued to the board for those premises shall not be transferred. A board of trustees of a soldiers' memorial applying for a D-1, D-2, D-3, D-4, or D-5 permit for the soldiers' memorial is subject to section 4303.31 of the Revised Code.
- (5) Nothing in this section shall be construed to restrict

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  the issuance of a permit for a premises located at a golf course

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owned by a municipal corporation, township, or county, owned by a 389 park district created under Chapter 1545. of the Revised Code, or 390 owned by the state. The location of such a permit issued on or 391 after September 26, 1984, for a premises located at such a golf 392 course shall not be transferred. Any application for such a permit 393 is exempt from the population quota restrictions contained in this 394 section and from the population quota restrictions contained in 395 any rule of the liquor control commission. A municipal 396 corporation, township, county, park district, or state agency 397 applying for a D-1, D-2, D-3, D-4, or D-5 permit for such a golf 398 course is subject to section 4303.31 of the Revised Code. 399

(6) As used in division (B)(6) of this section, "fair" has 400 the same meaning as in section 991.01 of the Revised Code; "state 401 fairgrounds" means the property that is held by the state for the 402 purpose of conducting fairs, expositions, and exhibits and that is 403 maintained and managed by the Ohio expositions commission under 404 section 991.03 of the Revised Code; "capitol square" has the same 405 meaning as in section 105.41 of the Revised Code; and "Ohio 406 judicial center" means the site of the Ohio supreme court and its 407 grounds. 408

Nothing in this section shall be construed to restrict the 409 issuance of one or more D permits to one or more applicants for 410 all or a part of the state fairgrounds, capitol square, or the 411 Ohio judicial center. An application for a D permit for the state 412 fairgrounds, capitol square, or the Ohio judicial center is exempt 413 from the population quota restrictions contained in this section 414 and from the population quota restrictions contained in any rule 415 of the liquor control commission. The location of a D permit 416 issued for the state fairgrounds, capitol square, or the Ohio 417 judicial center shall not be transferred. An applicant for a D-1, 418 D-2, D-3, or D-5 permit for the state fairgrounds is not subject 419 to section 4303.31 of the Revised Code. 420

Pursuant to section 1711.09 of the Revised Code, the holder	421
of a D permit issued for the state fairgrounds shall not deal in	422
spirituous liquor at the state fairgrounds during, or for one week	423
before or for three days after, any fair held at the state	424
fairgrounds.	425
(7) Nothing in this section shall be construed to prohibit	426
the issuance of a D permit for a premises located at a zoological	427
park at which sales have been approved in an election held under	428
former section 4301.356 of the Revised Code. An application for a	429
D permit for such a premises is exempt from the population	430
restrictions contained in this section, from the population quota	431
restrictions contained in any rule of the liquor control	432
commission, and from section 4303.31 of the Revised Code. The	433
location of a D permit issued for a premises at such a zoological	434
park shall not be transferred, and no quota or other restrictions	435
shall be placed on the number of D permits that may be issued for	436
a premises at such a zoological park.	437
(8) As used in division (B)(8) of this section, "local	438
entertainment district has the same meaning as in section 4301.82	439
of the Revised Code.	440
Nothing in this section shall be construed to prohibit the	441
issuance of a D-1, D-2, or D-5 permit for a premises located in a	442
local entertainment district, provided that all of the following	443
apply:	444
(a) The applicant for the permit is the owner or operator of	445
a retail food establishment or a food service operation licensed	446
under Chapter 3717. of the Revised Code.	447
(b) The applicant for the permit has not been issued a D-1,	448
D-2, or D-5 permit in the six months prior to filing the	449
application for a D-1, D-2, or D-5 permit for a premises located	450
in a local entertainment district.	451

(c) The premises for which a permit is proposed to be issued	452
has gross annual receipts from the sale of food and meals for	453
consumption on the premises that constitute not less than	454
seventy-five per cent of its total gross annual receipts.	455
An application for a D-1, D-2, or D-5 permit for a premises	456
located in a local entertainment district is exempt from the	457
population restrictions established in this section, from the	458
population quota restrictions established in any rule of the	459
liquor control commission, and from section 4303.31 of the Revised	460
Code. Such a D-1, D-2, or D-5 permit shall not be transferred out	461
of the local entertainment district. Not more than one D-1, D-2,	462
or D-5 permit shall be issued within a local entertainment	463
district for each five acres of land located within the district.	464
Not more than ten D-1, D-2, or D-5 permits, or any combination of	465
those permits, may be issued within a single local entertainment	466
district.	467
(C)(1) No D-3, D-4, D-5, or D-5a permit shall be issued in	468
any election precinct in any municipal corporation or in any	469
election precinct in the unincorporated area of any township, in	470
which at the November, 1933, election a majority of the electors	471
voting thereon in the municipal corporation or in the	472
unincorporated area of the township voted against the repeal of	473
Section 9 of Article XV, Ohio Constitution, unless the sale of	474
spirituous liquor by the glass is authorized by a majority vote of	475
the electors voting on the question in the precinct at an election	476
held pursuant to this section or by a majority vote of the	477
electors of the precinct voting on question (C) at a special local	478
option election held in the precinct pursuant to section 4301.35	479
of the Revised Code. Upon the request of an elector, the board of	480
elections of the county that encompasses the precinct shall	481
furnish the elector with a copy of the instructions prepared by	482
the secretary of state under division (P) of section 3501.05 of	483

Revised Code are hereby repealed.

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the Revised Code and, within fifteen days after the request, a	484
certificate of the number of signatures required for a valid	485
petition under this section.	486
Upon the petition of thirty-five per cent of the total number	487
of voters voting in any such precinct for the office of governor	488
at the preceding general election, filed with the board of	489
elections of the county in which such precinct is located not	490
later than seventy-five days before a general election, the board	491
shall prepare ballots and hold an election at such general	492
election upon the question of allowing spirituous liquor to be	493
sold by the glass in such precinct. The ballots shall be approved	494
in form by the secretary of state. The results of the election	495
shall be certified by the board to the secretary of state, who	496
shall certify the results to the division.	497
(2) No holder of a class D-3 permit issued for a boat or	498
vessel shall sell spirituous liquor in any precinct, in which the	499
election provided for in this section may be held, unless the sale	500
of spirituous liquor by the drink has been authorized by vote of	501
the electors as provided in this section or in section 4301.35 of	502
the Revised Code.	503
(D) Any holder of a C or D permit whose permit premises were	504
purchased in 1986 or 1987 by the state or any state agency for	505
highway purposes shall be issued the same permit at another	506
location notwithstanding any quota restrictions contained in this	507
chapter or in any rule of the liquor control commission.	508
Section 2. That existing sections 4301.62 and 4303.29 of the	509
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**Section 3.** Section 4301.62 of the Revised Code is presented 511 in this act as a composite of the section as amended by both Am. 512 Sub. H.B. 562 and Sub. S.B. 150 of the 127th General Assembly. The 513

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General Assembly, applying the principle stated in division (B) of	514
section 1.52 of the Revised Code that amendments are to be	515
harmonized if reasonably capable of simultaneous operation, finds	516
that the composite is the resulting version of the section in	517
effect prior to the effective date of the section as presented in	518
this act.	519