

**As Introduced**

**129th General Assembly  
Regular Session  
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**H. B. No. 183**

**Representative Williams**

**Cosponsors: Representatives Weddington, Amstutz**

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**A B I L L**

To amend sections 4303.29 and 4303.292 of the Revised 1  
Code to prohibit the transfer of ownership or the 2  
transfer of location of a C-1, C-2, or C-2x liquor 3  
permit in, or to a premises located in, a 4  
municipal corporation or the unincorporated area 5  
of a township in which the number of that class of 6  
permits actually issued exceeds the number of that 7  
class of permits allowed to be issued under 8  
population quota restrictions. 9

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

**Section 1.** That sections 4303.29 and 4303.292 of the Revised 10  
Code be amended to read as follows: 11

**Sec. 4303.29.** (A) No permit, other than an H permit, shall be 12  
issued to a firm or partnership unless all the members of the firm 13  
or partnership are citizens of the United States. No permit, other 14  
than an H permit, shall be issued to an individual who is not a 15  
citizen of the United States. No permit, other than an E or H 16  
permit, shall be issued to any corporation organized under the 17  
laws of any country, territory, or state other than this state 18  
until it has furnished the division of liquor control with 19

evidence that it has complied with the laws of this state relating 20  
to the transaction of business in this state. 21

The division may refuse to issue any permit to or refuse to 22  
renew any permit of any person convicted of any felony that is 23  
reasonably related to the person's fitness to operate a liquor 24  
permit business in this state. No holder of a permit shall sell, 25  
assign, transfer, or pledge the permit without the written consent 26  
of the division. 27

(B)(1) No D-3 permit shall be issued to any club unless the 28  
club has been continuously engaged in the activity specified in 29  
section 4303.15 of the Revised Code, as a qualification for that 30  
class of permit, for two years at the time the permit is issued. 31

(2)(a) Subject to division (B)(2)(b) of this section, upon 32  
application by properly qualified persons, one C-1 and C-2 permit 33  
shall be issued for each one thousand population or part of that 34  
population, and one D-1 and D-2 permit shall be issued for each 35  
two thousand population or part of that population, in each 36  
municipal corporation and in the unincorporated area of each 37  
township. 38

Subject to division (B)(2)(b) of this section, not more than 39  
one D-3, D-4, or D-5 permit shall be issued for each two thousand 40  
population or part of that population in any municipal corporation 41  
and in the unincorporated area of any township, except that, in 42  
any city of a population of fifty-five thousand or more, one D-3 43  
permit may be issued for each fifteen hundred population or part 44  
of that population. 45

(b)(i) Division (B)(2)(a) of this section does not prohibit 46  
the transfer of location or the transfer of ownership and location 47  
of a ~~C-1, C-2,~~ D-1, D-2, D-3, or D-5 permit from a municipal 48  
corporation or the unincorporated area of a township in which the 49  
number of permits of that class exceeds the number of such permits 50

authorized to be issued under division (B)(2)(a) of this section 51  
to an economic development project located in another municipal 52  
corporation or the unincorporated area of another township in 53  
which no additional permits of that class may be issued to the 54  
applicant under division (B)(2)(a) of this section, ~~but the.~~ The 55  
transfer of location or transfer of ownership and location of the 56  
permit may occur only if the applicant notifies the municipal 57  
corporation or township to which the location of the permit will 58  
be transferred regarding the transfer and that municipal 59  
corporation or township acknowledges in writing to the division of 60  
liquor control, at the time the application for the transfer of 61  
location or transfer of ownership and location of the permit is 62  
filed, that the transfer will be to an economic development 63  
project. This acknowledgment by the municipal corporation or 64  
township does not prohibit it from requesting a hearing under 65  
section 4303.26 of the Revised Code. The applicant is eligible to 66  
apply for and receive the transfer of location of the permit under 67  
division (B)(2)(b) of this section if all permits of that class 68  
that may be issued under division (B)(2)(a) of this section in the 69  
applicable municipal corporation or unincorporated area of the 70  
township have already been issued or if the number of applications 71  
filed for permits of that class in that municipal corporation or 72  
the unincorporated area of that township exceed the number of 73  
permits of that class that may be issued there under division 74  
(B)(2)(a) of this section. 75

A permit transferred under division (B)(2)(b) of this section 76  
may be subsequently transferred to a different owner at the same 77  
location, or to the same owner or a different owner at a different 78  
location in the same municipal corporation or in the 79  
unincorporated area of the same township, as long as the same or 80  
new location meets the economic development project criteria set 81  
forth in this section. 82

(ii) Factors that shall be used to determine the designation of an economic development project include, but are not limited to, architectural certification of the plans and the cost of the project, the number of jobs that will be created by the project, projected earnings of the project, projected tax revenues for the political subdivisions in which the project will be located, and the amount of financial investment in the project. The superintendent of liquor control shall determine whether the existing or proposed business that is seeking a permit described in division (B)(2)(b) of this section qualifies as an economic development project and, if the superintendent determines that it so qualifies, shall designate the business as an economic development project.

(3) Nothing in this section shall be construed to restrict the issuance of a permit to a municipal corporation for use at a municipally owned airport at which commercial airline companies operate regularly scheduled flights on which space is available to the public. A municipal corporation applying for a permit for such a municipally owned airport is exempt, in regard to that application, from the population restrictions contained in this section and from population quota restrictions contained in any rule of the liquor control commission. A municipal corporation applying for a D-1, D-2, D-3, D-4, or D-5 permit for such a municipally owned airport is subject to section 4303.31 of the Revised Code.

(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 115  
issued to the board for those premises shall not be transferred. A 116  
board of trustees of a soldiers' memorial applying for a D-1, D-2, 117  
D-3, D-4, or D-5 permit for the soldiers' memorial is subject to 118  
section 4303.31 of the Revised Code. 119

(5) Nothing in this section shall be construed to restrict 120  
the issuance of a permit for a premises located at a golf course 121  
owned by a municipal corporation, township, or county, owned by a 122  
park district created under Chapter 1545. of the Revised Code, or 123  
owned by the state. The location of such a permit issued on or 124  
after September 26, 1984, for a premises located at such a golf 125  
course shall not be transferred. Any application for such a permit 126  
is exempt from the population quota restrictions contained in this 127  
section and from the population quota restrictions contained in 128  
any rule of the liquor control commission. A municipal 129  
corporation, township, county, park district, or state agency 130  
applying for a D-1, D-2, D-3, D-4, or D-5 permit for such a golf 131  
course is subject to section 4303.31 of the Revised Code. 132

(6) As used in division (B)(6) of this section, "fair" has 133  
the same meaning as in section 991.01 of the Revised Code; "state 134  
fairgrounds" means the property that is held by the state for the 135  
purpose of conducting fairs, expositions, and exhibits and that is 136  
maintained and managed by the Ohio expositions commission under 137  
section 991.03 of the Revised Code; "capitol square" has the same 138  
meaning as in section 105.41 of the Revised Code; and "Ohio 139  
judicial center" means the site of the Ohio supreme court and its 140  
grounds. 141

Nothing in this section shall be construed to restrict the 142  
issuance of one or more D permits to one or more applicants for 143  
all or a part of the state fairgrounds, capitol square, or the 144  
Ohio judicial center. An application for a D permit for the state 145  
fairgrounds, capitol square, or the Ohio judicial center is exempt 146

from the population quota restrictions contained in this section 147  
and from the population quota restrictions contained in any rule 148  
of the liquor control commission. The location of a D permit 149  
issued for the state fairgrounds, capitol square, or the Ohio 150  
judicial center shall not be transferred. An applicant for a D-1, 151  
D-2, D-3, or D-5 permit for the state fairgrounds is not subject 152  
to section 4303.31 of the Revised Code. 153

Pursuant to section 1711.09 of the Revised Code, the holder 154  
of a D permit issued for the state fairgrounds shall not deal in 155  
spirituous liquor at the state fairgrounds during, or for one week 156  
before or for three days after, any fair held at the state 157  
fairgrounds. 158

(7) Nothing in this section shall be construed to prohibit 159  
the issuance of a D permit for a premises located at a zoological 160  
park at which sales have been approved in an election held under 161  
former section 4301.356 of the Revised Code. An application for a 162  
D permit for such a premises is exempt from the population 163  
restrictions contained in this section, from the population quota 164  
restrictions contained in any rule of the liquor control 165  
commission, and from section 4303.31 of the Revised Code. The 166  
location of a D permit issued for a premises at such a zoological 167  
park shall not be transferred, and no quota or other restrictions 168  
shall be placed on the number of D permits that may be issued for 169  
a premises at such a zoological park. 170

(C)(1) No D-3, D-4, D-5, or D-5a permit shall be issued in 171  
any election precinct in any municipal corporation or in any 172  
election precinct in the unincorporated area of any township, in 173  
which at the November, 1933, election a majority of the electors 174  
voting thereon in the municipal corporation or in the 175  
unincorporated area of the township voted against the repeal of 176  
Section 9 of Article XV, Ohio Constitution, unless the sale of 177  
spirituous liquor by the glass is authorized by a majority vote of 178

the electors voting on the question in the precinct at an election 179  
held pursuant to this section or by a majority vote of the 180  
electors of the precinct voting on question (C) at a special local 181  
option election held in the precinct pursuant to section 4301.35 182  
of the Revised Code. Upon the request of an elector, the board of 183  
elections of the county that encompasses the precinct shall 184  
furnish the elector with a copy of the instructions prepared by 185  
the secretary of state under division (P) of section 3501.05 of 186  
the Revised Code and, within fifteen days after the request, a 187  
certificate of the number of signatures required for a valid 188  
petition under this section. 189

Upon the petition of thirty-five per cent of the total number 190  
of voters voting in any such precinct for the office of governor 191  
at the preceding general election, filed with the board of 192  
elections of the county in which such precinct is located not 193  
later than ninety days before a general election, the board shall 194  
prepare ballots and hold an election at ~~such~~ that general election 195  
upon the question of allowing spirituous liquor to be sold by the 196  
glass in such precinct. The ballots shall be approved in form by 197  
the secretary of state. The results of the election shall be 198  
certified by the board to the secretary of state, who shall 199  
certify the results to the division. 200

(2) No holder of a class D-3 permit issued for a boat or 201  
vessel shall sell spirituous liquor in any precinct, in which the 202  
election provided for in this section may be held, unless the sale 203  
of spirituous liquor by the drink has been authorized by vote of 204  
the electors as provided in this section or in section 4301.35 of 205  
the Revised Code. 206

(D) Any holder of a C or D permit whose permit premises were 207  
purchased in 1986 or 1987 by the state or any state agency for 208  
highway purposes shall be issued the same permit at another 209  
location notwithstanding any quota restrictions contained in this 210

chapter or in any rule of the liquor control commission. 211

**Sec. 4303.292.** (A) The division of liquor control may refuse 212  
to issue, transfer the ownership of, or renew, and shall refuse to 213  
transfer the location of, any retail permit issued under this 214  
chapter if it finds either of the following: 215

(1) That the applicant, or any partner, member, officer, 216  
director, or manager of the applicant, or, if the applicant is a 217  
corporation or limited liability company, any shareholder owning 218  
five per cent or more of the applicant's capital stock in the 219  
corporation or any member owning five per cent or more of either 220  
the voting interests or membership interests in the limited 221  
liability company: 222

(a) Has been convicted at any time of a crime that relates to 223  
fitness to operate a liquor establishment; 224

(b) Has operated liquor permit businesses in a manner that 225  
demonstrates a disregard for the laws, regulations, or local 226  
ordinances of this state or any other state; 227

(c) Has misrepresented a material fact in applying to the 228  
division for a permit; or 229

(d) Is in the habit of using alcoholic beverages or dangerous 230  
drugs to excess, or is addicted to the use of narcotics. 231

(2) That the place for which the permit is sought: 232

(a) Does not conform to the building, safety, or health 233  
requirements of the governing body of the county or municipal 234  
corporation in which the place is located. As used in division 235  
(A)(2)(a) of this section, "building, safety, or health 236  
requirements" does not include local zoning ordinances. The 237  
validity of local zoning regulations shall not be affected by this 238  
section. 239

(b) Is so constructed or arranged that law enforcement 240



officers and duly authorized agents of the division are prevented 241  
from reasonable access to rooms within which beer or intoxicating 242  
liquor is to be sold or consumed; 243

(c) Is so located with respect to the neighborhood that 244  
substantial interference with public decency, sobriety, peace, or 245  
good order would result from the issuance, renewal, transfer of 246  
location, or transfer of ownership of the permit and operation 247  
under it by the applicant; or 248

(d) Has been declared a nuisance pursuant to Chapter 3767. of 249  
the Revised Code since the time of the most recent issuance, 250  
renewal, or transfer of ownership or location of the liquor 251  
permit. 252

(B) The division of liquor control may refuse to issue or 253  
transfer the ownership of, and shall refuse to transfer the 254  
location of, any retail permit issued under this chapter if it 255  
finds either of the following: 256

(1) That the place for which the permit is sought is so 257  
situated with respect to any school, church, library, public 258  
playground, or hospital that the operation of the liquor 259  
establishment will substantially and adversely affect or interfere 260  
with the normal, orderly conduct of the affairs of those 261  
facilities or institutions; 262

(2) That the number of permits already existent in the 263  
neighborhood is such that the issuance or transfer of location of 264  
a permit would be detrimental to and substantially interfere with 265  
the morals, safety, or welfare of the public. In reaching a 266  
conclusion in this respect, the division shall consider, in light 267  
of the purposes of this chapter and Chapters 4301. and 4399. of 268  
the Revised Code, the character and population of the 269  
neighborhood, the number and location of similar permits in the 270  
neighborhood, the number and location of all other permits in the 271

neighborhood, and the effect the issuance or transfer of location 272  
of a permit would have on the neighborhood. 273

(C) The division of liquor control shall not transfer the 274  
location or transfer the ownership and location of a permit under 275  
division (B)(2)(b) of section 4303.29 of the Revised Code unless 276  
the permit is transferred to an economic development project. 277

(D) The division of liquor control shall refuse to issue, 278  
renew, transfer the ownership of, or transfer the location of a 279  
retail permit under this chapter if the applicant is or has been 280  
convicted of a violation of division (C)(1) of section 2913.46 of 281  
the Revised Code. 282

(E) The division of liquor control shall refuse to transfer 283  
the ownership of or transfer the location of a retail permit under 284  
this chapter while criminal proceedings are pending against the 285  
holder of the permit for a violation of division (C)(1) of section 286  
2913.46 of the Revised Code. The department of public safety shall 287  
notify the division whenever criminal proceedings have commenced 288  
for a violation of division (C)(1) of section 2913.46 of the 289  
Revised Code. 290

(F) The division of liquor control shall refuse to issue, 291  
renew, or transfer the ownership or location of a retail permit 292  
under this chapter if the applicant has been found to be 293  
maintaining a nuisance under section 3767.05 of the Revised Code 294  
at the premises for which the issuance, renewal, or transfer of 295  
ownership or location of the retail permit is sought. 296

(G) The division of liquor control shall refuse to transfer 297  
the ownership of, or to transfer the location of, a C-1, C-2, or 298  
C-2x permit if the transfer will be in, or to a premises located 299  
in, a municipal corporation or the unincorporated area of a 300  
township in which the number of permits of that class actually 301  
issued exceeds the number of permits of that class allowed under 302

section 4303.29 of the Revised Code. 303

**Section 2.** That existing sections 4303.29 and 4303.292 of the 304

Revised Code are hereby repealed. 305