# **As Introduced**

# 129th General Assembly Regular Session 2011-2012

H. B. No. 26

### **Representative Letson**

Cosponsors: Representatives Gerberry, Pillich, Stinziano, Stautberg, McGregor, O'Brien, Hagan, Yuko

# 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 nermit	R

#### 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

provided in section 4303.235 of the Revised Code;	48
(d) Beer or intoxicating liquor to be consumed during	49
tastings and samplings approved by rule of the liquor control	50
commission.	51
(2) A person may have in the person's possession on an F	52
liquor permit premises an opened container of beer or intoxicating	53
liquor that was not purchased from the holder of the F permit if	54
the premises for which the F permit is issued is a music festival	55
and the holder of the F permit grants permission for that	56
possession on the premises during the period for which the F	57
permit is issued. As used in this division, "music festival" means	58
a series of outdoor live musical performances, extending for a	59
period of at least three consecutive days and located on an area	60
of land of at least forty acres.	61
(3)(a) A person may have in the person's possession on a D-2	62
liquor permit premises an opened or unopened container of wine	63
that was not purchased from the holder of the D-2 permit if the	64
premises for which the D-2 permit is issued is an outdoor	65
performing arts center, the person is attending an orchestral	66
performance, and the holder of the D-2 permit grants permission	67
for the possession and consumption of wine in certain	68
predesignated areas of the premises during the period for which	69
the D-2 permit is issued.	70
(b) As used in division (C)(3)(a) of this section:	71
(i) "Orchestral performance" means a concert comprised of a	72
group of not fewer than forty musicians playing various musical	73
instruments.	74
(ii) "Outdoor performing arts center" means an outdoor	75
performing arts center that is located on not less than eight	76
hundred acres of land and that is open for performances from the	77

first day of April to the last day of October of each year.

(4) A person may have in the person's possession an opened or	79
unopened container of beer or intoxicating liquor at an outdoor	80
location at which the person is attending an orchestral	81
performance as defined in division (C)(3)(b)(i) of this section if	82
the person with supervision and control over the performance	83
grants permission for the possession and consumption of beer or	84
intoxicating liquor in certain predesignated areas of that outdoor	85
location.	86
(D) This section does not apply to a person who pays all or a	87
portion of the fee imposed for the use of a chauffeured limousine	88
pursuant to a prearranged contract, or the guest of the person,	89
when all of the following apply:	90
(1) The person or guest is a passenger in the limousine.	91
(2) The person or guest is located in the limousine, but is	92
not occupying a seat in the front compartment of the limousine	93
where the operator of the limousine is located.	94
(3) The limousine is located on any street, highway, or other	95
public or private property open to the public for purposes of	96
vehicular travel or parking.	97
(E) An opened bottle of wine that was purchased from the	98
holder of a permit that authorizes the sale of wine for	99
consumption on the premises where sold is not an opened container	100
for the purposes of this section if both of the following apply:	101
(1) The opened bottle of wine is securely resealed by the	102
permit holder or an employee of the permit holder before the	103
bottle is removed from the premises. The bottle shall be secured	104
in such a manner that it is visibly apparent if the bottle has	105
been subsequently opened or tampered with.	106
(2) The opened bottle of wine that is resealed in accordance	107

with division (E)(1) of this section is stored in the trunk of a

motor vehicle or, if the motor vehicle does not have a trunk,

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

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one hundred twenty-five thousand.	137
(B) Any owner of property located in a municipal corporation	138
seeking to have that property, or that property and other	139
surrounding property, designated as a local entertainment district	140
shall file an application seeking this designation with the mayor	141
of the municipal corporation in which that property is located.	142
Any owner of property located in the unincorporated area of a	143
county seeking to have that property, or that property and other	144
surrounding property, designated as a local entertainment district	145
shall file an application seeking this designation with the board	146
of county commissioners of the county in whose unincorporated area	147
that property is located. An application to designate an area as a	148
local entertainment district shall contain all of the following:	149
(1) The applicant's name and address;	150
(2) A map or survey of the proposed local entertainment	151
district in sufficient detail to identify the boundaries of the	152
district and the property owned by the applicant;	153
(3) A general statement of the nature and types of	154
establishments described in division (A) of this section that are	155
or will be located within the proposed local entertainment	156
district and any other establishments located in the proposed	157
local entertainment district that are not described in division	158
(A) of this section;	159
(4) If some or all of the establishments within the proposed	160
local entertainment district have not yet been developed, the	161
proposed time frame for completing the development of these	162
establishments;	163
(5) Evidence that the uses of land within the proposed local	164
entertainment district are in accord with the municipal	165
corporation's or county's master zoning plan or map;	166
	100
(6) A handling and processing fee to accompany the	167

application, payable to the applicable municipal corporation or	168
county, in an amount determined by that municipal corporation or	169
county.	170
(C) An application relating to an area located in a municipal	171
corporation shall be addressed and submitted to the mayor of the	172
municipal corporation in which the area described in the	173
application is located. The mayor, within thirty days after	174
receiving the application, shall submit the application with the	175
mayor's recommendation to the legislative authority of the	176
municipal corporation. An application relating to an area located	177
in the unincorporated area of a county shall be addressed and	178
submitted to the board of county commissioners of the county in	179
whose unincorporated area the area described in the application is	180
located. The application is a public record for purposes of	181
section 149.43 of the Revised Code upon its receipt by the mayor	182
or board of county commissioners.	183
Within thirty days after it receives the application and the	184
mayor's recommendations relating to the application, the	185
legislative authority of the municipal corporation, by notice	186
published once a week for two consecutive weeks in at least one	187
newspaper of general circulation in the municipal corporation,	188
shall notify the public that the application is on file in the	189
office of the clerk of the municipal corporation and is available	190
for inspection by the public during regular business hours. Within	191
thirty days after it receives the application, the board of county	192
commissioners, by notice published once a week for two consecutive	193
weeks in at least one newspaper of general circulation in the	194
county, shall notify the public that the application is on file in	195
the office of the county auditor and is available for inspection	196
by the public during regular business hours. The notice shall also	197
indicate the date and time of any public hearing by the municipal	198
legislative authority or board of county commissioners on the	199

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

(D) All or part of an area designated as a local

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entertainment district may lose this designation as provided in	232
this division. The legislative authority of a municipal	233
corporation in which a local entertainment district is located, or	234
the board of county commissioners of the county in whose	235
unincorporated area a local entertainment district is located,	236
after giving notice of its proposed action by publication once a	237
week for two consecutive weeks in at least one newspaper of	238
general circulation in the municipal corporation or county, may	239
determine by ordinance or resolution in the case of the	240
legislative authority of a municipal corporation, or by resolution	241
in the case of the board of county commissioners of a county, that	242
all or part of the area fails to meet the standards described in	243
this section for designation of an area as a local entertainment	244
district. If the legislative authority or board so determines, the	245
area designated in the ordinance or resolution no longer	246
constitutes a local entertainment district.	247
Sec. 4303.235. (A) As used in this section:	248
(1) "College or university" means a state institution of	249
higher education as defined in section 3345.011 of the Revised	250
Code, or a private institution of higher education, with an FTE	251
(full-time equivalent) student enrollment of less than fifteen	252
thousand.	253
(2) "Professional athletic team" means a professional	254
baseball, basketball, football, hockey, or soccer team that owns	255
or leases a stadium or arena that has a seating capacity of at	256
least four thousand.	257
(B) A T-1 permit may be issued to any college or university	258
or to any professional athletic team to authorize the college or	259
university or professional athletic team to allow its quests to	260
bring beer and intoxicating liquor in its original package, flask,	261
or other container into an area on property that the college or	262

university or professional athletic team owns or leases, for	263
consumption in that area, if both of the following apply:	264
(1) A fence or similar barrier encloses the area.	265
(2) Security personnel are stationed at each exit from the	266
area to prevent any person from leaving with an opened flask or	267
other container of beer or intoxicating liquor.	268
(C) The division of liquor control shall specify on each T-1	269
permit the effective period of the permit, which shall not exceed	270
three days. The fee for the T-1 permit is fifty dollars. The	271
division shall prepare and make available application forms for	272
the T-1 permit and may require applicants to furnish the	273
information that the division determines is necessary for the	274
administration of this section.	275
(D) No holder of a T-1 permit shall provide or sell beer or	276
intoxicating liquor by the drink or in its original package,	277
flask, or other container in connection with the use of an area	278
under the T-1 permit.	279
Sec. 4303.29. (A) No permit, other than an H permit, shall be	280
issued to a firm or partnership unless all the members of the firm	281
or partnership are citizens of the United States. No permit, other	282
than an H permit, shall be issued to an individual who is not a	283
citizen of the United States. No permit, other than an E or H	284
permit, shall be issued to any corporation organized under the	285
laws of any country, territory, or state other than this state	286
until it has furnished the division of liquor control with	287
evidence that it has complied with the laws of this state relating	288
to the transaction of business in this state.	289
The division may refuse to issue any permit to or refuse to	290
renew any permit of any person convicted of any felony that is	291
reasonably related to the person's fitness to operate a liquor	292

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

transfer of location or transfer of ownership and location of the

permit may occur only if the applicant notifies the municipal	325
corporation or township to which the location of the permit will	326
be transferred regarding the transfer and that municipal	327
corporation or township acknowledges in writing to the division of	328
liquor control, at the time the application for the transfer of	329
location or transfer of ownership and location of the permit is	330
filed, that the transfer will be to an economic development	331
project. This acknowledgment by the municipal corporation or	332
township does not prohibit it from requesting a hearing under	333
section 4303.26 of the Revised Code. The applicant is eligible to	334
apply for and receive the transfer of location of the permit under	335
division (B)(2)(b) of this section if all permits of that class	336
that may be issued under division (B)(2)(a) of this section in the	337
applicable municipal corporation or unincorporated area of the	338
township have already been issued or if the number of applications	339
filed for permits of that class in that municipal corporation or	340
the unincorporated area of that township exceed the number of	341
permits of that class that may be issued there under division	342
(B)(2)(a) of this section.	343

A permit transferred under division (B)(2)(b) of this section 344 may be subsequently transferred to a different owner at the same 345 location, or to the same owner or a different owner at a different 346 location in the same municipal corporation or in the 347 unincorporated area of the same township, as long as the same or 348 new location meets the economic development project criteria set 349 forth in this section.

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

the amount of financial investment in the project. The	357
superintendent of liquor control shall determine whether the	358
existing or proposed business that is seeking a permit described	359
in division (B)(2)(b) of this section qualifies as an economic	360
development project and, if the superintendent determines that it	361
so qualifies, shall designate the business as an economic	362
development project.	363

(3) Nothing in this section shall be construed to restrict 364 the issuance of a permit to a municipal corporation for use at a 365 municipally owned airport at which commercial airline companies 366 operate regularly scheduled flights on which space is available to 367 the public. A municipal corporation applying for a permit for such 368 a municipally owned airport is exempt, in regard to that 369 application, from the population restrictions contained in this 370 section and from population quota restrictions contained in any 371 rule of the liquor control commission. A municipal corporation 372 373 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 374 Revised Code. 375

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- (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

the issuance of a permit for a premises located at a golf course	389
owned by a municipal corporation, township, or county, owned by a	390
park district created under Chapter 1545. of the Revised Code, or	391
owned by the state. The location of such a permit issued on or	392
after September 26, 1984, for a premises located at such a golf	393
course shall not be transferred. Any application for such a permit	394
is exempt from the population quota restrictions contained in this	395
section and from the population quota restrictions contained in	396
any rule of the liquor control commission. A municipal	397
corporation, township, county, park district, or state agency	398
applying for a D-1, D-2, D-3, D-4, or D-5 permit for such a golf	399
course is subject to section 4303.31 of the Revised Code.	400

(6) As used in division (B)(6) of this section, "fair" has 401 the same meaning as in section 991.01 of the Revised Code; "state 402 fairgrounds" means the property that is held by the state for the 403 purpose of conducting fairs, expositions, and exhibits and that is 404 maintained and managed by the Ohio expositions commission under 405 section 991.03 of the Revised Code; "capitol square" has the same 406 meaning as in section 105.41 of the Revised Code; and "Ohio 407 judicial center" means the site of the Ohio supreme court and its 408 grounds. 409

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

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

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

the secretary of state under division (P) of section 3501.05 of	484
the Revised Code and, within fifteen days after the request, a	485
certificate of the number of signatures required for a valid	486
petition under this section.	487
Upon the petition of thirty-five per cent of the total number	488
of voters voting in any such precinct for the office of governor	489
at the preceding general election, filed with the board of	490
elections of the county in which such precinct is located not	491
later than ninety days before a general election, the board shall	492
prepare ballots and hold an election at such general election upon	493
the question of allowing spirituous liquor to be sold by the glass	494
in such precinct. The ballots shall be approved in form by the	495
secretary of state. The results of the election shall be certified	496
by the board to the secretary of state, who shall certify the	497
results to the division.	498
(2) No holder of a class D-3 permit issued for a boat or	499
vessel shall sell spirituous liquor in any precinct, in which the	500
election provided for in this section may be held, unless the sale	501
of spirituous liquor by the drink has been authorized by vote of	502
the electors as provided in this section or in section 4301.35 of	503
the Revised Code.	504
(D) Any holder of a C or D permit whose permit premises were	505
purchased in 1986 or 1987 by the state or any state agency for	506
highway purposes shall be issued the same permit at another	507
location notwithstanding any quota restrictions contained in this	508
chapter or in any rule of the liquor control commission.	509

Section 2. That existing sections 4301.62 and 4303.29 of the

Revised Code are hereby repealed.

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