## As Reported by the Senate Insurance, Commerce and Labor Committee

## 129th General Assembly Regular Session 2011-2012

Sub. S. B. No. 298

## **Senator Cafaro**

Cosponsors: Senators Brown, Seitz, Kearney, Beagle, Hughes, Hite, Turner,
Bacon

A BILL

To amend section 4303.181 of the Revised Code to 1 alter the conditions under which a D-51 liquor 2 permit may be issued. 3

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

**Section 1.** That section 4303.181 of the Revised Code be amended to read as follows:

Sec. 4303.181. (A) Permit D-5a may be issued either to the 6 owner or operator of a hotel or motel that is required to be 7 licensed under section 3731.03 of the Revised Code, that contains 8 at least fifty rooms for registered transient guests or is owned 9 by a state institution of higher education as defined in section 10 3345.011 of the Revised Code or a private college or university, 11 and that qualifies under the other requirements of this section, 12 or to the owner or operator of a restaurant specified under this 13 section, to sell beer and any intoxicating liquor at retail, only 14 by the individual drink in glass and from the container, for 15 consumption on the premises where sold, and to registered guests 16 in their rooms, which may be sold by means of a controlled access 17

alcohol and beverage cabinet in accordance with division (B) of section 4301.21 of the Revised Code; and to sell the same products in the same manner and amounts not for consumption on the premises as may be sold by holders of D-1 and D-2 permits. The premises of the hotel or motel shall include a retail food establishment or a food service operation licensed pursuant to Chapter 3717. of the Revised Code that operates as a restaurant for purposes of this chapter and that is affiliated with the hotel or motel and within or contiguous to the hotel or motel, and that serves food within the hotel or motel, but the principal business of the owner or operator of the hotel or motel shall be the accommodation of transient guests. In addition to the privileges authorized in this division, the holder of a D-5a permit may exercise the same privileges as the holder of a D-5 permit.

The owner or operator of a hotel, motel, or restaurant who
qualified for and held a D-5a permit on August 4, 1976, may, if
the owner or operator held another permit before holding a D-5a
permit, either retain a D-5a permit or apply for the permit
formerly held, and the division of liquor control shall issue the
permit for which the owner or operator applies and formerly held,
notwithstanding any quota.

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A D-5a permit shall not be transferred to another location. 39

No quota restriction shall be placed on the number of D-5a permits 40

that may be issued. 41

The fee for this permit is two thousand three hundred 42 forty-four dollars. 43

(B) Permit D-5b may be issued to the owner, operator, tenant,

lessee, or occupant of an enclosed shopping center to sell beer

and intoxicating liquor at retail, only by the individual drink in

glass and from the container, for consumption on the premises

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where sold; and to sell the same products in the same manner and

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amount not for consumption on the premises as may be sold by

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holders of D-1 and D-2 permits. In addition to the privileges authorized in this division, the holder of a D-5b permit may exercise the same privileges as a holder of a D-5 permit.

A D-5b permit shall not be transferred to another location.

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One D-5b permit may be issued at an enclosed shopping center 54 containing at least two hundred twenty-five thousand, but less 55 than four hundred thousand, square feet of floor area. 56

Two D-5b permits may be issued at an enclosed shopping center containing at least four hundred thousand square feet of floor area. No more than one D-5b permit may be issued at an enclosed shopping center for each additional two hundred thousand square feet of floor area or fraction of that floor area, up to a maximum of five D-5b permits for each enclosed shopping center. The number of D-5b permits that may be issued at an enclosed shopping center shall be determined by subtracting the number of D-3 and D-5 permits issued in the enclosed shopping center from the number of D-5b permits that otherwise may be issued at the enclosed shopping center under the formulas provided in this division. Except as provided in this section, no quota shall be placed on the number of D-5b permits that may be issued. Notwithstanding any quota provided in this section, the holder of any D-5b permit first issued in accordance with this section is entitled to its renewal in accordance with section 4303.271 of the Revised Code.

The holder of a D-5b permit issued before April 4, 1984, 73 whose tenancy is terminated for a cause other than nonpayment of 74 rent, may return the D-5b permit to the division of liquor 75 control, and the division shall cancel that permit. Upon 76 cancellation of that permit and upon the permit holder's payment 77 of taxes, contributions, premiums, assessments, and other debts 78 owing or accrued upon the date of cancellation to this state and 79 its political subdivisions and a filing with the division of a 80 certification of that payment, the division shall issue to that 81

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person either a D-5 permit, or a D-1, a D-2, and a D-3 permit, as that person requests. The division shall issue the D-5 permit, or the D-1, D-2, and D-3 permits, even if the number of D-1, D-2, D-3, or D-5 permits currently issued in the municipal corporation or in the unincorporated area of the township where that person's proposed premises is located equals or exceeds the maximum number of such permits that can be issued in that municipal corporation or in the unincorporated area of that township under the population quota restrictions contained in section 4303.29 of the Revised Code. Any D-1, D-2, D-3, or D-5 permit so issued shall not be transferred to another location. If a D-5b permit is canceled under the provisions of this paragraph, the number of D-5b permits that may be issued at the enclosed shopping center for which the D-5b permit was issued, under the formula provided in this division, shall be reduced by one if the enclosed shopping center was entitled to more than one D-5b permit under the formula.

The fee for this permit is two thousand three hundred 98 forty-four dollars. 99

(C) Permit D-5c may be issued to the owner or operator of a 100 retail food establishment or a food service operation licensed 101 pursuant to Chapter 3717. of the Revised Code that operates as a 102 restaurant for purposes of this chapter and that qualifies under 103 the other requirements of this section to sell beer and any 104 intoxicating liquor at retail, only by the individual drink in 105 glass and from the container, for consumption on the premises 106 where sold, and to sell the same products in the same manner and 107 amounts not for consumption on the premises as may be sold by 108 holders of D-1 and D-2 permits. In addition to the privileges 109 authorized in this division, the holder of a D-5c permit may 110 exercise the same privileges as the holder of a D-5 permit. 111

To qualify for a D-5c permit, the owner or operator of a retail food establishment or a food service operation licensed

pursuant to Chapter 3717. of the Revised Code that operates as a	114
restaurant for purposes of this chapter, shall have operated the	115
restaurant at the proposed premises for not less than twenty-four	116
consecutive months immediately preceding the filing of the	117
application for the permit, have applied for a D-5 permit no later	118
than December 31, 1988, and appear on the division's quota waiting	119
list for not less than six months immediately preceding the filing	120
of the application for the permit. In addition to these	121
requirements, the proposed D-5c permit premises shall be located	122
within a municipal corporation and further within an election	123
precinct that, at the time of the application, has no more than	124
twenty-five per cent of its total land area zoned for residential	125
use.	126

A D-5c permit shall not be transferred to another location. 127

No quota restriction shall be placed on the number of such permits 128

that may be issued. 129

Any person who has held a D-5c permit for at least two years 130 may apply for a D-5 permit, and the division of liquor control 131 shall issue the D-5 permit notwithstanding the quota restrictions 132 contained in section 4303.29 of the Revised Code or in any rule of 133 the liquor control commission.

The fee for this permit is one thousand five hundred 135 sixty-three dollars.

(D) Permit D-5d may be issued to the owner or operator of a 137 retail food establishment or a food service operation licensed 138 pursuant to Chapter 3717. of the Revised Code that operates as a 139 restaurant for purposes of this chapter and that is located at an 140 airport operated by a board of county commissioners pursuant to 141 section 307.20 of the Revised Code, at an airport operated by a 142 port authority pursuant to Chapter 4582. of the Revised Code, or 143 at an airport operated by a regional airport authority pursuant to 144 Chapter 308. of the Revised Code. The holder of a D-5d permit may 145

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that may be issued. The population quota restrictions contained in	176
section 4303.29 of the Revised Code or in any rule of the liquor	177
control commission shall not apply to this division, and the	178
division shall issue a D-5e permit to any applicant who meets the	179
requirements of this division. However, the division shall not	180
issue a D-5e permit if the permit premises or proposed permit	181
premises are located within an area in which the sale of	182
spirituous liquor by the glass is prohibited.	183

The fee for this permit is one thousand two hundred nineteen 184 dollars.

- (F) Permit D-5f may be issued to the owner or operator of a 186 retail food establishment or a food service operation licensed 187 under Chapter 3717. of the Revised Code that operates as a 188 restaurant for purposes of this chapter and that meets all of the 189 following:
- (1) It contains not less than twenty-five hundred square feet 191 of floor area.
- (2) It is located on or in, or immediately adjacent to, the 193 shoreline of, a navigable river.
  - (3) It provides docking space for twenty-five boats.
- (4) It provides entertainment and recreation, provided that
   not less than fifty per cent of the business on the permit
   premises shall be preparing and serving meals for a consideration.

In addition, each application for a D-5f permit shall be

accompanied by a certification from the local legislative

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authority that the issuance of the D-5f permit is not inconsistent

with that political subdivision's comprehensive development plan

or other economic development goal as officially established by

the local legislative authority.

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The holder of a D-5f permit may sell beer and intoxicating

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- (b) A community arts center. As used in division (H)(1)(b) of 236 this section, "community arts center" means a facility that 237 provides arts programming to the community in more than one arts 238 discipline, including, but not limited to, exhibits of works of 239 art and performances by both professional and amateur artists. 240 (c) A community theater, provided that the nonprofit 241 organization is a member of the Ohio arts council and the American 242 community theatre association and has been in existence for not 243 less than ten years. As used in division (H)(1)(c) of this 244 section, "community theater" means a facility that contains at 245 least one hundred fifty seats and has a primary function of 246 presenting live theatrical performances and providing recreational 247 opportunities to the community. 248 (2) The holder of a D-5h permit may sell beer and any 249 intoxicating liquor at retail, only by the individual drink in 250 glass and from the container, for consumption on the premises 251 where sold. The holder of a D-5h permit shall sell no beer or 252 intoxicating liquor for consumption on the premises where sold 253 after one a.m. A D-5h permit shall not be transferred to another 254 location. No quota restrictions shall be placed on the number of 255 D-5h permits that may be issued. 256 (3) The fee for a D-5h permit is one thousand eight hundred 257 seventy-five dollars. 258 (I) Permit D-5i may be issued to the owner or operator of a 259 retail food establishment or a food service operation licensed 260 under Chapter 3717. of the Revised Code that operates as a 261
- (1) It is located in a municipal corporation or a township 264 with a population of one hundred thousand or less. 265

restaurant for purposes of this chapter and that meets all of the

following requirements:

(2) It has inside seating capacity for at least one hundred

Sub. S. B. No. 298	Page 10
As Reported by the Senate Insurance, Commerce and Labor Committee	_

persons.	267
	persons.

- (3) It has at least four thousand square feet of floor area. 268
  - (4) It offers full-course meals, appetizers, and sandwiches. 269
- (5) Its receipts from beer and liquor sales, excluding wine 270 sales, do not exceed twenty-five per cent of its total gross 271 receipts.
  - (6) It has at least one of the following characteristics: 273
- (a) The value of its real and personal property exceeds seven 274 hundred twenty-five thousand dollars. 275
- (b) It is located on property that is owned or leased by the 276 state or a state agency, and its owner or operator has 277 authorization from the state or the state agency that owns or 278 leases the property to obtain a D-5i permit. 279

The holder of a D-5i permit may sell beer and any 280 intoxicating liquor at retail, only by the individual drink in 281 glass and from the container, for consumption on the premises 282 where sold, and may sell the same products in the same manner and 283 amounts not for consumption on the premises where sold as may be 284 sold by the holders of D-1 and D-2 permits. The holder of a D-5i 285 permit shall sell no beer or intoxicating liquor for consumption 286 on the premises where sold after two-thirty a.m. In addition to 287 the privileges authorized in this division, the holder of a D-5i 288 permit may exercise the same privileges as the holder of a D-5 289 permit. 290

A D-5i permit shall not be transferred to another location. 291
The division of liquor control shall not renew a D-5i permit 292
unless the retail food establishment or food service operation for 293
which it is issued continues to meet the requirements described in 294
divisions (I)(1) to (6) of this section. No quota restrictions 295
shall be placed on the number of D-5i permits that may be issued. 296

(3) It is located in a township with a population of at least

forty thousand.

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As Reported by the Senate Insurance, Commerce and Labor Committee	9
(4) It is located in a township with a population of at least	327
twenty thousand, and not less than seventy million dollars will be	328
invested in development and construction in the community	329
entertainment district's area located in the township.	330
(5) It is located in a municipal corporation with a	331
population between ten thousand and twenty thousand, and both of	332
the following apply:	333
(a) The municipal corporation was incorporated as a village	334
prior to calendar year 1840 and currently has a historic downtown	335
business district.	336
(b) The municipal corporation is located in the same county	337
as another municipal corporation with at least one community	338
entertainment district.	339
(6) It is located in a municipal corporation with a	340
population of at least ten thousand, and not less than seventy	341
million dollars will be invested in development and construction	342
in the community entertainment district's area located in the	343
municipal corporation.	344
(7) It is located in a municipal corporation with a	345
population of at least five thousand, and not less than one	346
hundred million dollars will be invested in development and	347
construction in the community entertainment district's area	348
located in the municipal corporation.	349
The location of a D-5j permit may be transferred only within	350
the geographic boundaries of the community entertainment district	351
in which it was issued and shall not be transferred outside the	352
geographic boundaries of that district.	353
Not more than one D-5j permit shall be issued within each	354
community entertainment district for each five acres of land	355

located within the district. Not more than fifteen D-5j permits

may be issued within a single community entertainment district.

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where sold and to sell beer and intoxicating liquor in the same

- (3) The location of a D-51 permit may be transferred only
  within the geographic boundaries of the revitalization district in
  which it was issued and shall not be transferred outside the
  geographic boundaries of that district.

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- (4) Not more than one D-51 permit shall be issued within each revitalization district for each five acres of land located within 424 the district. Not more than fifteen D-51 permits may be issued 425 within a single revitalization district. Except as otherwise 426 provided in division (L)(4) of this section, no quota restrictions 427 shall be placed upon the number of D-51 permits that may be 428 issued.
- (5) No D-51 permit shall be issued to an adult entertainment 430 establishment as defined in section 2907.39 of the Revised Code. 431
- (6) The fee for a D-51 permit is two thousand three hundred 432 forty-four dollars.
- (M) Permit D-5m may be issued to either the owner or the 434 operator of a retail food establishment or food service operation 435 licensed under Chapter 3717. of the Revised Code that operates as 436 a restaurant for purposes of this chapter and that is located in, 437 or affiliated with, a center for the preservation of wild animals 438 as defined in section 4301.404 of the Revised Code, to sell beer 439 and any intoxicating liquor at retail, only by the glass and from 440 the container, for consumption on the premises where sold, and to 441 sell the same products in the same manner and amounts not for 442 consumption on the premises as may be sold by the holders of D-1443 and D-2 permits. In addition to the privileges authorized by this 444 division, the holder of a D-5m permit may exercise the same 445 privileges as the holder of a D-5 permit. 446

A D-5m permit shall not be transferred to another location. 447

No quota restrictions shall be placed on the number of D-5m 448

permits that may be issued. The fee for a permit D-5m is two 449

thousand three hundred forty-four dollars.

- (N) Permit D-5n shall be issued to either a casino operator 451 or a casino management company licensed under Chapter 3772. of the 452 Revised Code that operates a casino facility under that chapter, 453 to sell beer and any intoxicating liquor at retail, only by the 454 individual drink in glass and from the container, for consumption 455 on the premises where sold, and to sell the same products in the 456 same manner and amounts not for consumption on the premises as may 457 be sold by the holders of D-1 and D-2 permits. In addition to the 458 privileges authorized by this division, the holder of a D-5n 459 permit may exercise the same privileges as the holder of a D-5 460 permit. A D-5n permit shall not be transferred to another 461 location. Only one D-5n permit may be issued per casino facility 462 and not more than four D-5n permits shall be issued in this state. 463 The fee for a permit D-5n shall be twenty thousand dollars. The 464 holder of a D-5n permit may conduct casino gaming on the permit 465 premises notwithstanding any provision of the Revised Code or 466 Administrative Code. 467
- (O) Permit D-50 may be issued to the owner or operator of a 468 retail food establishment or a food service operation licensed 469 under Chapter 3717. of the Revised Code that operates as a 470 restaurant for purposes of this chapter and that is located within 471 a casino facility for which a D-5n permit has been issued. The 472 holder of a D-50 permit may sell beer and any intoxicating liquor 473 at retail, only by the individual drink in glass and from the 474 container, for consumption on the premises where sold, and may 475 sell the same products in the same manner and amounts not for 476 consumption on the premises where sold as may be sold by the 477 holders of D-1 and D-2 permits. In addition to the privileges 478 authorized by this division, the holder of a D-50 permit may 479 exercise the same privileges as the holder of a D-5 permit. A D-50 480 permit shall not be transferred to another location. No quota 481

Sub. S. B. No. 298 As Reported by the Senate Insurance, Commerce and Labor Committee	Page 17
restrictions shall be placed on the number of such permits that	482
may be issued. The fee for this permit is two thousand three	483
hundred forty-four dollars.	484
Section 2. That existing section 4303.181 of the Revised Code	485
is hereby repealed.	486