



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Sean McCullough, Director

MEMORANDUM

TO: Rachel Herrmann, Ohio Liquor Control Commission

FROM: Emily Groseclose, Senior Policy and Business Advocate

DATE: June 17, 2021

RE: **CSI Review – 2021 No Change Rules (OAC 4301:1-1-02, 4301:1-1-15, 4301:1-1-46, 4301:1-1-47, 4301:1-1-48, 4301:1-1-49, 4301:1-1-50, 4301:1-1-55, 4301:1-1-56, 4301:1-1-58, 4301:1-1-59, 4301:1-1-64, 4301:1-1-65, 4301:1-1-66, 4301:1-1-67, 4301:1-1-76, 4301:1-1-77, and 4301:1-1-78)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) office under Ohio Revised Code (ORC) section 107.54, the CSI office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI office's comments to the Commission as provided for in ORC 107.54.

Analysis

This rule package contains 18 no change rules proposed by the Ohio Liquor Control Commission (Commission) as part of the statutorily required five-year review process. The rule package was submitted to CSI on May 24, 2021, and the public comment period was held open through May 31, 2021. No comments were received. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI office on May 24, 2021.

These rules establish definitions for terms used throughout the chapter, procedures for permit cancellations, quota determinations, requirements for sales reports, resort area designations, auction and other sales restrictions, minimum requirements for alcoholic beverage service in hotel rooms, hours when sales are permitted, restrictions on happy hour sales and the possession of spiritous liquor, exceptions for providing free food, prohibitions on solicitation and prostitution, and procedures for meetings, hearings, and appeals.

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The Commission sought comments from the public at multiple public hearings, posted a notice of the rule review on its website, and emailed stakeholders including permit holders' counsel and industry associations, as well as affected state agencies. No comments were received during either early stakeholder outreach or the CSI public comment period.

All manufacturers, distributors, and retailers holding a liquor permit are affected by these rules. The Commission stated that potential adverse impacts include fines and suspension or revocation of a permit for violation of Ohio laws and rules. The Commission asserted that the regulatory intent to protect the health and safety of the public justifies any adverse impacts to business created by the rules.

Recommendations

Based on the information above, the CSI office has no recommendations on this rule package.

Conclusion

The CSI office concludes that the Ohio Liquor Control Commission should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.