

Greenbook

LBO Analysis of Enacted Budget

Liquor Control Commission

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LBO Greenbook

Liquor Control Commission

Quick look...

- The Liquor Control Commission consists of three members appointed by the Governor and six full-time staff.
- The Commission is a quasi-judicial body that hears administrative cases against permit holders for alleged violations of Ohio’s liquor laws and certain other matters related to these businesses.
- The Commission is funded through a portion of liquor permit fee revenue collected by the state.

FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
Fund 5LP0 ALI 970601, Commission Operating Expenses					
\$769,868	\$817,356	\$1,000,890	\$999,955	\$1,227,200	\$1,225,800
% change	6.2%	22.5%	-0.1%	22.7%	-0.1%

Agency overview

The Liquor Control Commission (LCO) is the rulemaking and adjudication agency that oversees the alcohol beverage industry in Ohio, ensuring compliance with Ohio’s liquor laws and regulations. LCO works with the Department of Commerce’s Division of Liquor Control, which issues liquor permits, as well as the Attorney General and Department of Public Safety, the state agencies involved with investigating and enforcing liquor violations. LCO’s responsibilities include (1) making and interpreting rules regarding liquor production, sales, and advertising, (2) hearing cases regarding alleged liquor permit violations, (3) hearing appeals of the Division of Liquor Control decisions on liquor permit renewals and distribution, and (4) hearing appeals of liquor permit revocations and nonrenewals based on tax delinquencies. The Commission consists of three members appointed by the Governor for six-year terms. Members are paid a salary that is determined by the Governor. They are supported by six full-time employees, including the Executive Director.

Analysis of FY 2024-FY 2025 budget

The budget for LCO is \$1,227,200 in FY 2024 and \$1,225,800 in FY 2025, the bulk of which will go toward payroll. The remainder will go toward supplies and maintenance, as well as purchased personal services for court-reporting services and other costs related to cases which fluctuate from year to year. The budget also provides for the development and implementation of a case management system to accommodate changes in case hearing processes in an attempt to streamline case dispositions.

Statutory changes under H.B. 33

The budget contains a provision that changes current law that *requires* LCO to cancel liquor permits for reasons such as the permit holder's death or bankruptcy and placement of the permit holder's property in receivership. It replaces this provision with one that instead permits LCO to use the Automated Reporting Preneed Payment System (ARPPS) to monitor and potentially cancel these permits. This aligns the statute with policy under the Ohio Administrative Code, and therefore does not seem to have any fiscal effect.