AGENCY

The Division of Liquor Control regulates the manufacture, distribution, licensing, and merchandising of beer, wine, mixed beverages, and spirituous liquor as the law is outlined in the Ohio Revised Code Chapters 4301 and 4303. The Division promotes the responsible consumption of these products by educating the public and ensuring that business owners and their employees are fully informed and properly trained on their responsibilities to prevent sales to underage or intoxicated individuals.

HISTORY

In 1983, Ohio completed a conversion from state-run warehouses and state-owned stock system to a bailment system. From 1991-1996, it converted all state stores to private businesses called Contract Liquor Agencies. In Fiscal Year 2013, JobsOhio Beverage System (JOBS) purchased from the state an exclusive franchise for the sale and distribution of spirituous liquor throughout Ohio by issuing special-obligation private revenue bonds. The division modernized Ohio’s liquor distribution and sales enterprise resource planning software and logistics infrastructure in 2017 through the Liquor Modernization Project. Since then, the Division has awarded 38 new Liquor Agency contracts, increased product selection to over 4,000 SKUs, and created the Ohio Liquor brand to increase customer access to product and drive economic growth.

WET AND DRY COUNTIES

State law allows local jurisdictions to hold local option elections to determine the authorized alcohol sales privileges. There are townships and city voting precincts in the state that remain dry.

LICENSING

The Division’s Licensing Section is responsible for licensing the operations of more than 28,000 privately owned and operated manufacturers, distributors, and retailers of alcoholic beverages. This includes the issuance of new permits, permit renewals, and transfers, as well as the investigative and hearing requirements associated with permit issuance. During FY 2023, the section issued 1,429 new permits and 5,579 temporary permits, transferred 1,459 permits and renewed 25,697 permits. The Division also works with the Liquor Control Commission, local law enforcement, and the Department of Public Safety’s Investigative Unit to ensure compliance with Ohio law. The Licensing section has launched an online product registration service so that all beer, wine, and low-proof mixed beverages for sale in Ohio can be registered with the Division and receive approval faster. Additionally, development and implementation of an online licensing system is in progress to make applying for and renewing liquor permits easier for businesses in Ohio.

PERMIT FEES

Ohio Division of Liquor Control Permit Fee Distribution FY 2023:

- Ohio General Revenue Fund (0.2%)
- Alcohol and Drug Addiction Services (20%)
- Local governments for liquor law enforcement (35%)
- Ohio Regulatory Fund* (44.8%)

Total permit fees distributed in Fiscal Year 2023: $38,062,464
JOBS finances the purchase of spirituous liquor product (intoxicating liquor containing more than 21 percent ABV) on behalf of the state of Ohio for retail and wholesale sales. The Division manages wholesale and retail operations for the sale of spirituous liquor in Ohio. The Division selects and prices products and allocates the products to Agencies to sell on consignment. Agencies are private businesses which own and operate retail outlets selling other goods and services to the public, such as beer, wine, and low proof mixed beverages. Profits from spirits sales provide dedicated funding for JobsOhio. JobsOhio uses the profits from the sale of spirituous liquor to fulfill its nonprofit purpose of driving job creation and new capital investment in Ohio. This model provides stability and consistency to economic development in Ohio.

Sources

The Division issues permits to the state’s approximately 24,000 privately owned and operated manufacturers, distributors, and retailers of alcoholic beverages.

- Ohio law provides a quota on the number of certain permit classes that the Division of Liquor Control can issue within a taxing district based on population. There are permit classes that are exempt from said quota. Jurisdiction does allow the sale of spirits in convenience stores.
- Servers must be at least 19 years old to serve beer at on-premise outlets, and employees at off-premise outlets must be 18 years old to sell beer.
- The sale of beer, wine and mixed beverages in sealed containers is permitted in grocery stores.
- Sunday sales are allowed.
- Keg registration is not required.
- For every 100,000 residents ages 21 and older, there are 5.8 spirits outlets.
- Beverage service training is voluntary.

"Raise a glass. Responsibly." is OHLQ’s commitment to putting safety, education, and support for Ohio’s communities at the forefront of its mission. As partners in the sale of spirits, OHLQ has a serious obligation to advocate for responsible consumption. OHLQ works to provide Ohioans with information and resources regarding the dangers of overconsumption and substance abuse, and to partner with our communities to keep our children safe through education and programming created to prevent underage drinking and access to alcohol, among other initiatives. On OHLQ.com, OHLQ features articles on celebrating safely and moderating consumption, the health benefits of a low-alcohol or alcohol-free lifestyle, advice on talking to kids about alcohol abuse, recipes for delicious non-alcoholic mocktails, and more. In all ways, OHLQ strives to be a trusted and accurate source of information about alcohol safety and responsibility.

DEFINITIONS

- **Control systems** -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.
- **Three-tier system** -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).
- **Revenue Per Capita** -- revenue per person.
- **Wet and dry counties** -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: - 2018 Survey Database, Alcohol Beverages Revenues & Taxes 2020 Report (June 2022), Ohio Division of Liquor Control, Infoplease, Alcohol Policy Information System (APIS), Census.gov.

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