

1 AN ACT relating to alcoholic beverages and declaring an emergency.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) Any person delivering alcohol by the package at retail on behalf of a licensee
6 shall not sell:

7 (a) To a minor under twenty-one (21) years of age; or

8 (b) To an intoxicated person.

9 (2) Any person delivering alcoholic beverages on behalf of a retail package licensee
10 to an individual consumer shall verify that the recipient is at least twenty-one (21)
11 years of age by requiring the production of a valid identification document as
12 defined in KRS 241.010.

13 (3) Any person delivering alcohol by the package at retail on behalf of a licensee
14 shall possess a physical or electronic version of the license issued by the
15 department.

16 ➔Section 2. KRS 241.066 is amended to read as follows:

17 (1) The number of quota retail package licenses issued by the department in any wet
18 county shall not exceed one (1) license for every two thousand three hundred
19 (2,300) persons resident in the county, except that:

20 (a) A wet county containing a city of the first class shall be subject to the
21 limitations in KRS 241.065;

22 (b) No fewer than two (2) quota retail package licenses shall be available for
23 issuance by the department in any wet county;~~and~~

24 (c) Any specific county quota amounts that were issued by the department prior
25 to January 1, 2018, in excess of the population calculations established in this
26 section shall remain in effect, and the department shall maintain the list of
27 specific quotas in an administrative regulation; and

1 **(d) The number of quota retail package licenses issued by the department in**
 2 **any wet county or urban-county government, excluding a county containing**
 3 **a city of a first class subject to KRS 241.065, containing more than one**
 4 **hundred thousand (100,000) residents shall not exceed one (1) license for**
 5 **every two thousand (2,000) persons resident in the county.**

6 (2) Nothing in this section shall be construed to prohibit license renewal or license
 7 transfers approved by the department of an existing quota retail license issued in a
 8 wet county.

9 (3) In counties that have not received an increased quota license amount from the
 10 department, any quota licenses over the established amount shall be reduced as the
 11 licenses are revoked, surrendered, or not renewed by the license holder.

12 (4) If a dry county that contains a wet city becomes wet, the quota established by this
 13 section shall supersede and replace any separate city quota.

14 ➔Section 3. KRS 241.069 is amended to read as follows:

15 (1) **Any city, including any city located in a wet or dry county, or urban-county**
 16 **government**~~[A city]~~ may petition the board:

17 (a) For an increase in the number of quota **retail package** licenses available in its
 18 jurisdiction; **or**

19 (b) **For an increase in the number of quota retail package licenses available in**
 20 **the county, if the number of quota retail package licenses is governed by**
 21 **Section 2 of this Act**~~[pursuant to KRS 242.021].~~

22 A request for an increase shall not exceed the ratio of one (1) per every one
 23 thousand five hundred (1,500) residents.

24 (2) The board shall consider the following factors when deciding whether to grant the
 25 increase:

26 (a) Population served by the city, **county, or urban-county government**;

27 (b) **Estimated** total retail sales of the city, **county, or urban-county government**

- 1 for the most recent past fiscal year;
- 2 (c) *Estimated* retail sales per capita for the most recent past fiscal year;
- 3 (d) *Estimated* total alcohol sales in the city, county, or urban-county
- 4 government for the most recent past fiscal year;
- 5 (e) Tourist destinations in the area, if applicable; and
- 6 (f) Other economic and commercial data offered to show the capacity to support
- 7 additional licenses.

8 (3) The board shall grant the request if the information supplied supports the requested

9 increase, and shall begin the process of filing an amendment to its administrative

10 regulation to register the increase. Additional licenses shall not be issued until the

11 administrative regulation process is complete and the amendment is adopted.

12 (4) If the board determines the information supplied does not support a quota increase,

13 it shall notify the city of its decision by registered mail at the address given in the

14 request. The city shall have thirty (30) days from the date of the mailing to file a

15 written request for a hearing before the board regarding its request for an increase.

16 ➔Section 4. KRS 242.021 is amended to read as follows:

17 (1) A city, including a city located in a wet or dry county, or urban-county

18 government authorized by this section shall not file a request with the board

19 seeking to increase the number of quota retail package licenses for the city, county,

20 or urban-county government unless at least one (1) year has~~[three (3) years have]~~

21 passed since the certification of ~~the~~~~[its]~~ local option election approving alcohol

22 sales that resulted in the establishment of the quota retail package license number

23 that the city, county, or urban-county government seeks to have increased.

24 (2) Prior to making its request, the city, county, or urban-county government shall

25 publish a notice in the newspaper used for its legal notices, advising the general

26 public of the city's intent to request additional licenses from the board.

27 (3) The request to the board for a quota increase shall include:

- 1 (a) A certified copy of the governing body's resolution approving the request;
- 2 (b) A certified copy of the notice referenced in subsection (2) of this section; and
- 3 (c) An explanation as to the reason the city, county, or urban-county
- 4 government meets the criteria established in KRS 241.069 for a quota
- 5 increase.

6 (4) The city, county, or urban-county government shall bear the burden of showing an

7 increase is necessary.

8 (5) A city, county, or urban-county government shall not petition the board for an

9 increase more than once every three (3) years.

10 ➔Section 5. KRS 243.200 is amended to read as follows:

11 (1) A transporter's license may be issued as a primary license to a motor carrier

12 authorized to transact business in the Commonwealth by the Transportation Cabinet

13 or the Federal Motor Carrier Safety Administration or to another person engaged in

14 business as a common carrier. A person holding a transporter's license may

15 transport alcoholic beverages to or from the licensed premises of any licensee under

16 this chapter to an individual consumer if both the consignor and consignee in each

17 case are authorized by the law of the states of their residence to sell, purchase,

18 deliver, ship, or receive the alcoholic beverages.

19 (2) A transporter may deliver or ship to consumers over twenty-one (21) years of age in

20 packages clearly marked "Alcoholic Beverages, adult signature (21 years of age or

21 over) required," and shall request adult-signature-only service from the carrier.

22 Deliveries or shipments of alcoholic beverages shall only be made into areas of the

23 state in which alcoholic beverages may be lawfully sold. When the shipper requests

24 adult-signature-only service, it shall be a violation for a common carrier not to

25 inspect government-issued identification for proof of age. No properly licensed

26 common carrier or any of its employees acting on behalf of a consignor in the

27 course and scope of a delivery or shipment of alcoholic beverages to a consumer

1 shall be liable for a violation of this subsection or any provision of KRS 242.250,
2 242.260, or 242.270 prohibiting the delivery or shipment of alcoholic beverages
3 into areas of the state in which alcoholic beverages are not lawfully sold.

4 (3) Except for a common carrier that has been assigned a USDOT number issued by the
5 Federal Motor Carrier Safety Administration, the holder of a transporter's license
6 shall cause each truck or vehicle to display the name of the licensee and the state
7 license numbers in a manner prescribed by an administrative regulation
8 promulgated by the board.

9 (4) Except for an application by a common carrier that has been assigned a USDOT
10 number issued by the Federal Motor Carrier Safety Administration, an application
11 for a transporter's license shall include a statement that the applicant, if issued a
12 license, shall allow any authorized investigators of the department to stop and
13 examine the cargo of any truck or vehicle in which alcoholic beverages are being
14 transported within the boundaries of the Commonwealth of Kentucky.

15 (5) A licensee may move, within the same county, alcoholic beverages from one (1) of
16 the licensee's licensed premises to another without a transporter's license. A
17 licensee may move alcoholic beverages from one (1) of the licensee's licensed
18 premises located in one (1) county to a licensed premises located in another county,
19 without a transporter's license, with prior written approval of the administrator for
20 good cause shown. The licensee shall keep and maintain, in one (1) of its licensed
21 premises, adequate books and records of the transactions involved in transporting
22 alcoholic beverages from one (1) licensed premises to another in accordance with
23 standards established in administrative regulations promulgated by the board. The
24 records shall be available to the department and the Department of Revenue upon
25 request.

26 (6) Distilled spirits and wine may be transported by any licensed retailer selling
27 distilled spirits or wine, by the package or by the drink, from the premises of a

1 licensed wholesaler to the licensed premises of the retail licensee.~~[Any retailer~~
2 ~~transporting alcoholic beverages under this subsection shall do so in a vehicle~~
3 ~~marked in conformity with administrative regulations of the board.]~~ Both the
4 wholesaler and the retailer engaging in activity under this subsection shall be
5 responsible for maintaining records documenting the transactions.

6 ➔Section 6. Whereas the necessity of economic growth in cities with over
7 100,000 in population is vital and they are out of quota retail package licenses, with no
8 ability to request more due to the population restrictions, an emergency is declared to
9 exist, and this Act takes effect upon its passage and approval by the Governor or upon its
10 otherwise becoming a law.