

CHAPTER 79

(SB 97)

AN ACT relating to business authorized by a transitional license for alcoholic beverage sales.

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

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

- (1) *A transitional license may be issued by the director of the Division of Malt Beverages or the director of the Division of Distilled Spirits during the time a transfer of an ongoing business is being processed under the following conditions:*
 - (a) *The purchaser shall file an application for a permanent license with the appropriate local alcoholic beverage authority and with the office;*
 - (b) *The purchaser shall advertise its intention to apply for a license pursuant to KRS 243.360; and*
 - (c) *The purchaser shall pay all application fees for the permanent license.*
- (2) *If the above requirements are met, the director of the Division of Malt Beverages or the director of the Division of Distilled Spirits, as appropriate, shall have the discretion to issue a transitional license with a term of up to sixty (60) days, plus one (1) thirty (30) day extension period, to the purchaser for a processing fee set forth in Section 2 or 3 of this Act. All transitional licenses immediately expire upon the issuance to the purchaser of one (1) or more permanent licenses.*
- (3) *Upon completion of the sale of the business, the purchaser shall not operate the business on the seller's license.*
- (4) *The transitional license shall not be transferable or used for an application to move a business from one (1) location to another location.*

Section 2. KRS 243.030 is amended to read as follows:

The following kinds of distilled spirits and wine licenses may be issued by the director of the Division of Distilled Spirits, the fees for which shall be:

- (1) Distiller's license, per annum \$2,500.00
- (2) Rectifier's license, per annum \$2,500.00
- (3) Blender's license, per annum \$2,500.00
- (4) Vintner's license, per annum \$1,000.00
- (5) Small winery license, per annum \$100.00
 - (a) Small winery off-premises retail license, per annum \$25.00
- (6) Wholesaler's license, per annum \$2,000.00
- (7) Retail package license, per annum:
 - (a) In counties containing cities of the first class or a consolidated local government \$800.00
 - (b) In counties containing cities of the second class \$700.00
 - (c) In counties containing cities of the third class \$600.00
 - (d) In counties containing cities of the fourth class \$500.00
 - (e) In all other counties \$400.00
- (8) Retail drink license, motel drink license, restaurant drink license, or supplemental bar license, per annum:
 - (a) In counties containing cities of the first class or a consolidated local government ... \$1,000.00
 - (b) In counties containing cities of the second class \$700.00
 - (c) In counties containing cities of the third class \$600.00

- (d) In counties containing cities of the fourth class \$500.00
- (e) The fee for each of the first five (5) supplemental bar licenses shall be the same as the fee for the drink license. There shall be no charge for each supplemental license issued in excess of five (5) to the same licensee at the same premises.

- (9) Transporter's license, per annum \$100.00
- (10) Dining car license, per annum \$100.00
- (11) Special nonbeverage alcohol vendor's license, per annum \$50.00
- (12) Special industrial alcohol license, per annum \$50.00
- (13) Special nonindustrial alcohol license, per annum \$50.00
- (14) Special agent's or solicitor's license, per annum \$25.00
- (15) Special storage or warehouse license and bottling house storage license,
per annum \$500.00
- (16) Special temporary liquor license, per event \$100.00
- (17) Special private club license, per annum \$300.00

The fee for each special private club license shall be the fee set out in this subsection; however, there shall be no charge for each special private club license issued in excess of six (6) that is issued to the same licensee at the same premises.

- (18) Special Sunday retail drink license, per annum \$500.00
- (19) Nonresident special agent or solicitor's license, per annum \$100.00
- (20) Transport permit, nonresident license, per annum \$100.00
- (21) Through transporter's license, per annum \$100.00
- (22) Freight forwarder's license, per annum \$100.00
- (23) Restaurant wine license, per annum \$500.00
- (24) Farm winery license, per annum \$100.00
 - (a) Farm winery, off-premises retail outlet license, per annum \$25.00
- (25) Special temporary wine license, per event \$50.00
- (26) Caterer's license, per annum \$800.00
- (27) Souvenir retail liquor license, per annum \$500.00
- (28) Special temporary distilled spirits and wine
auction license, per event \$100.00
- (29) Airport drink license, per annum \$1,000.00
- (30) Convention center or convention hotel complex
license, per annum \$5,000.00
- (31) Extended hours supplemental license, per annum \$2,000.00
- (32) Horse race track license, per annum \$2,000.00
- (33) Automobile race track license, per annum \$2,000.00
- (34) Air or rail system license, per annum \$2,000.00
- (35) Riverboat license, per annum \$1,000.00
- (36) Bottling house license, per annum \$1,000.00

- (37) Hotel in-room license, per annum \$200.00
- (38) Bonded warehouse license, per annum \$1,000.00
- (39) Air transporter liquor license, per annum \$500.00
- (40) Sampling license, per annum.....\$100.00
- (41) Replacement or duplicate license \$25.00
- (42) Entertainment destination license, per annum \$7,500.00
- (43) (a) Limited restaurant license or limited golf course license, per annum
(includes distilled spirits, wine, and malt beverages), new applicants:
 - 1. In counties containing cities of the first class or a consolidated local government \$1,200.00
 - 2. In counties containing cities of the second class \$900.00
 - 3. In counties containing cities of the third class \$800.00
 - 4. In counties containing cities of the fourth, fifth, or sixth classes \$700.00
- (b) Renewals for limited restaurant licenses or limited golf course licenses shall be \$50.00 less than the applicable licensing fee for new applicants.
- (44) *A nonrefundable fee of fifty dollars (\$50) shall be charged to process each new transitional license pursuant to Section 1 of this Act.*
- (45) Other special licenses the board finds necessary for the proper regulation and control of the traffic in distilled spirits and wine and provides for by administrative regulation. In fixing the amount of license taxes that are required to be fixed by the board, it shall have regard for the value of the privilege granted.

A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each new application under this section, except for subsections (5), (9), (11), (12), (13), (14), (16), (19), (20), (21), (22), (24), (25), (28), (40), and (41). The application fee shall be applied to the licensing fee if the license is issued; otherwise it shall be retained by the office.

Section 3. KRS 243.040 is amended to read as follows:

The following kinds of malt beverage licenses may be issued by the director of the Division of Malt Beverages, the fees for which shall be:

- (1) Brewer's license, per annum \$2,500.00
- (2) Microbrewery license, per annum \$500.00
- (3) Distributor's license, per annum \$500.00
- (4) Malt beverage retail license, per annum:
 - (a) New applicants \$200.00
 - (b) Renewals \$150.00
- (5) Dining car license, per annum \$200.00
- (6) Transporter's license, per annum \$100.00
- (7) Special temporary license, per event \$50.00
- (8) Special off-premises retail storage license, per annum \$100.00
- (9) Distributor's storage, per annum \$250.00
- (10) Special beer transporter's license, per annum \$100.00
- (11) Brew-on-premises license, per annum \$500.00
- (12) Out-of-state brewer license, per annum \$1,500.00

- (13) Malt beverage warehouse license, per annum \$1,000.00
- (14) Replacement or duplicate license, per annum \$25.00
- (15) Limited out-of-state brewer license, per annum \$250.00
- (16) *A nonrefundable fee of fifty dollars (\$50) shall be charged to process each new transitional license pursuant to Section 1 of this Act.*
- (17) Other special licenses as the state board finds to be necessary for the administration of KRS Chapters 241, 242, 243, and 244 and for the proper regulation and control of the trafficking in malt beverages, as provided for by administrative regulations promulgated by the state board.

Applicants for special licenses provided for under the authority granted in subsection (15) may be exempt from so much of the provisions of subsection (1)(f) of KRS 243.100 set out in administrative regulations promulgated by the board. A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each new application for a license under this section except for subsections (6), (7), (10), and (14). The application fee shall be applied to the licensing fee if the license is issued, or otherwise the fee shall be retained by the office.

Approved March 28, 2006.