

PUBLIC PROTECTION CABINET
Department of Alcoholic Beverage Control
(Amendment)

804 KAR 4:400. Applications incorporated by reference.

RELATES TO: KRS 241.060(1), 243.090, 243.380, 243.390, 243.630

STATUTORY AUTHORITY: KRS 241.060(1), 243.380, 243.390, 243.630

NECESSITY, FUNCTION, AND CONFORMITY: KRS 241.060(1) authorizes the board to promulgate administrative regulations regarding matters over which the board has jurisdiction, including applications for licenses. KRS 243.380(2) and 243.390 require the board to promulgate an administrative regulation to establish the form of license applications. KRS 243.630(5) and (6) require licensees to apply in writing for department approval of the transfer of a license or a licensed business to a different premises or for the transfer of ten (10) percent or more ownership interest to a new person or entity. This administrative regulation prescribes the form of license applications utilized by the department.

Section 1. Definition. "Online portal" means the department's online licensing management portal located at <https://abcportal.ky.gov/BELLEExternal>.

Section 2. Online Application for Alcoholic Beverage License.

(1) ~~Except as established in Section 3 of this administrative regulation,~~ An applicant for an alcoholic beverage license shall complete the New License Application~~online application process and submit it electronically~~ at the online portal~~Online eServices Portal: <https://dppweb.ky.gov/eservices/>~~

(2) To renew a license pursuant to KRS 243.090 and 804 KAR 4:390, a licensee shall complete the License Renewal Application~~online renewal application process and submit it electronically~~ at the online portal~~Online License Renewal Portal KYBOS: <http://abc.ky.gov/Licensing/Pages/default.aspx>~~.

Section 3. ~~Section 2.~~ Transfer of Ownership Interest Application.

(1) A buyer seeking to acquire, or a licensee seeking to transfer ten (10) percent or more ownership interest in a licensed business shall complete ~~and submit~~ the Transfer of Ownership ~~Interest~~ Application at the online portal~~for ownership interest transfers between legally recognized entities, where the licensee will remain the same~~.

(2) Although a licensee is not required to file an application for ownership interest transfers of less than ten (10) percent, a licensee shall notify the department in writing of all ownership interest transfers of less than ten (10) percent of the licensed business at the online portal.

~~Section 3. Written Application for Alcoholic Beverage License. If unable to complete an online application, an applicant shall complete and submit the appropriate application for the license type listed in subsections (1) to (8) in this section:~~

- ~~{(1)} Basic License Application;~~
- ~~{(2)} License Renewal Application;~~
- ~~{(3)} Transporter's License Application;~~
- ~~{(4)} Out-of-State Supplier License Application;~~
- ~~{(5)} Special Agent's or Solicitor's License Application;~~
- ~~{(6)} Special Temporary License Application;~~
- ~~{(7)} Additional License(s) Application; or~~
- ~~{(8)} Transfer of Ownership Interest Application.~~

Section 4. Incorporation by Reference.

- (1) The following material is incorporated by reference:
- (a) "New License Application" November 2024 [~~"Basic License Application", June 2017;~~];
 - (b) "License Renewal Application", November 2024[~~June 2017~~];
 - (c) "Add Company" forms package[~~Transporter's License Application~~]", November 2024[~~June~~][~~2017~~];
 - (d) "Affidavit[~~Out-of-State Supplier License Application~~]", November 2024[~~June 2017~~];
 - (e) "Instructions[~~Special Agent's or Solicitor's License Application~~]", November 2024[~~June 2017~~];
 - (f) "[~~Special~~]Temporary License Application", November 2024[~~June 2017~~];
 - (g) "Additional License[~~License(s)~~] Application", November 2024[~~June 2017~~];
 - (h) "Transfer of Ownership [~~Interest~~]Application", November 2024[~~June 2017~~]; and
 - (i) "License Types List[~~Online eServices Portal~~]", November 2024[~~June~~][~~2017~~; and]
 - [~~(j) ["Online License Renewal Portal-KYBOS", June 2017].~~
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Department of Alcoholic Beverage Control, 500 Mero St 2NE33, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the department's Web site, <http://www.abc.ky.gov/>.

ALLYSON C TAYLOR, Commissioner
RAY PERRY, Secretary

APPROVED BY AGENCY: December 13, 2024

FILED WITH LRC: December 20, 2024 at 2:50 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on March 25, 2025, at 9:00 a.m. EST, at 500 Mero Street, Room 127CW, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through March 31, 2025. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Joshua Newton, Title: General Counsel, Department of Alcoholic Beverage Control Address: 500 Mero Street, 2 NE #226, Frankfort, Kentucky 40601, Phone: (502) 782-0770, Fax: (502) 564-4850, Email: Joshua.Newton@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person:Joshua Newton

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This regulation outlines the forms to be used to apply for multiple types of alcohol licenses.

(b) The necessity of this administrative regulation:

This regulation is necessary to guide members of the alcohol industry to the appropriate forms to apply for alcohol licenses or renew current licenses.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 243.380(2) and 243.390 require the board to promulgate an administrative regulation to establish the form of license applications. KRS 243.630(5) and (6) require licensees to apply in writing for department approval of the transfer of a license or a licensed business to a different premises or for the transfer of ten (10) percent or more ownership interest to a new person or entity. This administrative regulation prescribes the form of license applications utilized by the department.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

The agency has the duty to provide the public with the opportunity to apply for alcohol licenses. This regulation points them to the appropriate form for certain license types.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

The amendment outlines the forms accessible on the agency's online licensing portal.

(b) The necessity of the amendment to this administrative regulation:

The amendment is necessary to update the regulation to incorporate the agency's online application forms.

(c) How the amendment conforms to the content of the authorizing statutes:

KRS 243.380(2) and 243.390 require the board to promulgate an administrative regulation to establish the form of license applications. This amendment reflects the updated forms to accomplish this statutory mandate.

(d) How the amendment will assist in the effective administration of the statutes:

KRS 243.380(2) and 243.390 require the board to promulgate an administrative regulation to establish the form of license applications. This amendment reflects the updated forms to accomplish this statutory mandate.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

There are currently over 18,000 entities licensed in Kentucky to traffic in alcohol. This includes producers, wholesalers and distributors, and retailers. These businesses use the online portal to apply for and receive licenses to operate.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

Each entity listed will continue to apply online for initial and renewed alcohol licenses.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

There are fees for licenses but there is no fee to access or utilize the online portal. There will be no new cost or expense to the applicants.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

By allowing online license application and renewal, the entities in the alcohol industry have realized a positive impact in that the licenses are issued in a much quicker and streamlined process than paper forms and mail. This amendment merely updates and formally codifies the online applications and the licensing portal.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

There is no cost to the agency as the licensing portal is built in-house.

(b) On a continuing basis:

There are no additional continuing costs to the agency as the licensing portal is built in-house.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

The agency utilizes licensing fees to meet its licensing and enforcement obligations.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

An increase in fees or funding is not necessary to implement this amendment.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

This amendment does not establish or increase any fees either directly or indirectly.

(9) TIERING: Is tiering applied?

There is no tiering applied as this amendment is simply to update forms used online for licensing applications and renewals.

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 241.060(1) authorizes the board to promulgate reasonable regulations involving licensing, and KRS 13A.110 provides a statutory mandate that forms for license applications be promulgated.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions:

Kentucky Department of Alcoholic Beverage Control.

(a) Estimate the following for the first year:

Expenditures:None

Revenues:None

Cost Savings:None

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

This amendment is to update forms incorporated by reference and will result in no changes to expenditures, revenues, or costs.

(3) Identify affected local entities (for example: cities, counties, fire departments, school districts):

Local ABC administrators have access to the online portal for local approvals and denials. This amendment will not affect these entities.

(a) Estimate the following for the first year:

Expenditures:None

Revenues:None

Cost Savings:None

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

This amendment updates materials incorporated by reference and does not affect expenditures, revenues, or costs.

(4) Identify additional regulated entities not listed in questions (2) or (3):

None

(a) Estimate the following for the first year:

Expenditures:N/A

Revenues:N/A

Cost Savings:N/A

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

N/A

(5) Provide a narrative to explain the:

(a) Fiscal impact of this administrative regulation:

There is no fiscal impact related to this amendment.

(b) Methodology and resources used to determine the fiscal impact:

N/A

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). (\$500,000 or more, in aggregate)

This amendment, incorporating the online forms used to apply for licenses and renew current licenses, has no negative or adverse impact.

(b) The methodology and resources used to reach this conclusion:

These forms make applying for and renewing licenses easier and faster while costing the applicant nothing to utilize them.