

804 KAR 7:020. Alcoholic beverage inventory during prohibited alcoholic beverage sales period.

RELATES TO: KRS 243.480, 243.490, 243.500, 243.540, 244.085

STATUTORY AUTHORITY: KRS 241.060, 243.480, 243.490, 243.500, 244.085

NECESSITY, FUNCTION, AND CONFORMITY: KRS 241.060(1) authorizes the board to promulgate administrative regulations regarding matters over which the board has jurisdiction. KRS 244.085(5)(b) authorizes minors on the premises of a retail drink licensee if all alcoholic beverage inventory is kept in a separate, locked department when minors are on the premises. KRS 243.480, 243.490, and 243.500 authorize the board to suspend or revoke licenses authorizing alcoholic beverage sales but make no specific provision for the handling or custody of the retail licensee's alcoholic beverage inventory during a suspension period or the period following license revocation when a licensee may transfer its inventory pursuant to KRS 243.540(2). This administrative regulation defines "locked department" and provides that during periods alcohol sales are prohibited a retail licensee shall either keep all alcoholic beverage inventory in a separate, locked department or close the entire business.

Section 1. Definition. "Locked department" means any area, including rooms, windows, displays, show cases, and shelves, which contains alcoholic beverage inventory and which is secured by a lock and key so that consumers do not have access to the inventory. Locked departments may have sliding or hinged doors or nets and be constructed of any material which prevents consumer access to alcoholic beverage inventory.

Section 2. Alcoholic Beverage Inventory During License Suspension. During the period a retail licensee is prohibited from selling alcoholic beverages pursuant to a license suspension, all alcoholic beverage inventory shall be kept in a separate, locked department or the licensed place of business shall be closed.

Section 3. Inventory Following License Revocation. During the period in which a former retail licensee is permitted to possess and transfer alcoholic beverage inventory pursuant to KRS 243.540(2), all alcoholic beverage inventory shall be kept in a separate, locked department, or the place of business shall be closed, until the alcoholic beverage inventory is actually transferred.

(ABC 6:20; 1 Ky.R. 844; eff. 5-14-1975; 45 Ky.R. 3262; 46 Ky.R. 34; eff. 8-2-2019.)