

5. Establish a license fee for a qualified historic site license and authorize a local license fee for a qualified historic site up to the state fee amount;
6. Authorize marina and bed and breakfast non-quota licenses;
7. Remove the city population threshold for quota retail drink licenses;
8. Provide that a local ordinance limiting election day alcohol sales is effective only if the ordinance was adopted after June 25, 2013; and
9. Allow Sunday sales in a moist, as opposed to only a wet, territory.

The bill would allow certain non-quota licensees located in a state park to purchase, receive, possess and sell alcoholic beverages.

SB 81 GA would also create a new section of KRS Chapter 244 that prohibits the possession, sale, offering for sale, or use of powdered or crystalline alcoholic beverage product.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of SB 81 GA on local government is expected to be minimal.

The bill would have some financial impact on some local governments that choose to amend their ordinances or hold local option elections to permit the limited special alcohol sales licenses authorized by the bill. Local governments would be required to pay for publication of proposed ordinances in the local paper, a minimum expense, and would have to fund local option elections.

If a local option election is held to permit sales of souvenir packages of distilled spirits in a precinct in which a distillery is located or the limited sale of alcoholic beverages by the drink in a precinct in which a marina is located, then there will be minimal costs to the county. Per KRS 242.030 and 242.060 a local option election may not be held on the same day as a primary or general election and the county must pay for the costs of the local option election. The local option election would be limited to the precinct in which the distillery or marina is located. Therefore, the cost to the county should not exceed \$2,000 (election costs of \$2,000 per precinct are assumed) per election.

The provisions of the bill would not result in additional revenue to most communities as the bill's provisions would not expand alcohol sales in most communities and the regulatory license fees would produce little additional revenue.

Data Source(s): Department of Alcoholic Beverage Control, LRC staff, Kentucky League of Cities

Preparer: Mary Stephens **Reviewer:** MCY **Date:** 2/13/15