

AN ACT relating to licensing.

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

➔Section 1. KRS 241.010 is amended to read as follows:

As used in this chapter and in KRS Chapters 242 and 243, unless the context requires otherwise:

- (1) "Alcohol" means ethyl alcohol, hydrated oxide of ethyl or spirit of wine, from whatever source or by whatever process it is produced;
- (2) "Alcoholic beverage" means every liquid or solid, whether patented or not, containing alcohol in an amount in excess of more than one percent (1%) of alcohol by volume, which is fit for beverage purposes. It includes every spurious or imitation liquor sold as, or under any name commonly used for, alcoholic beverages, whether containing any alcohol or not. It does not include the following products:
 - (a) Medicinal preparations manufactured in accordance with formulas prescribed by the United States Pharmacopoeia, National Formulary, or the American Institute of Homeopathy;
 - (b) Patented, patent, and proprietary medicines;
 - (c) Toilet, medicinal, and antiseptic preparations and solutions;
 - (d) Flavoring extracts and syrups;
 - (e) Denatured alcohol or denatured rum;
 - (f) Vinegar and preserved sweet cider;
 - (g) Wine for sacramental purposes; and
 - (h) Alcohol unfit for beverage purposes that is to be sold for legitimate external use;
- (3) (a) "Alcohol vaporizing device" or "AWOL device" means any device, machine, or process that mixes liquor, spirits, or any other alcohol product with pure oxygen or by any other means produces a vaporized alcoholic product used for

human consumption;

- (b) "Alcohol vaporizing device" or "AWOL device" does not include an inhaler, nebulizer, atomizer, or other device that is designed and intended by the manufacturer to dispense a prescribed or over-the-counter medication or a device installed and used by a licensee under this chapter to demonstrate the aroma of an alcoholic beverage;
- (4) "Automobile race track" means a facility primarily used for vehicle racing that has a seating capacity of at least thirty thousand (30,000) people;
- (5) "Board" means the State Alcoholic Beverage Control Board created by KRS 241.030;
- (6) "Bottle" means any container which is used for holding alcoholic beverages for the use and sale of alcoholic beverages at retail;
- (7) "Brewer" means any person who manufactures malt beverages or owns, occupies, carries on, works, or conducts any brewery, either alone or through an agent;
- (8) "Brewery" means any place or premises where malt beverages are manufactured for sale, and includes all offices, granaries, mash rooms, cooling rooms, vaults, yards, and storerooms connected with the premises; or where any part of the process of the manufacture of malt beverages is carried on; or where any apparatus connected with manufacture is kept or used; or where any of the products of brewing or fermentation are stored or kept;
- (9) "Building containing licensed premises" means the licensed premises themselves and includes the land, tract of land, or parking lot in which the premises are contained, and any part of any building connected by direct access or by an entrance which is under the ownership or control of the licensee by lease holdings or ownership;
- (10) "Caterer" means a corporation, partnership, or individual that operates the business of a food service professional by preparing food in a licensed and inspected

commissary, transporting the food and alcoholic beverages to the caterer's designated and inspected banquet hall or to a location selected by the customer, and serving the food and alcoholic beverages to the customer's guests;

- (11) "Charitable organization" means a nonprofit entity recognized as exempt from federal taxation under section 501(c) of the Internal Revenue Code (26 U.S.C. sec. 501(c)) or any organization having been established and continuously operating within the Commonwealth of Kentucky for charitable purposes for three (3) years and which expends at least sixty percent (60%) of its gross revenue exclusively for religious, educational, literary, civic, fraternal, or patriotic purposes;
- (12) "Cider" means any fermented fruit-based beverage containing seven percent (7%) or more alcohol by volume and includes hard cider and perry cider;
- (13) "City administrator" means city alcoholic beverage control administrator;
- (14) "Commercial airport" means an airport through which more than five hundred thousand (500,000) passengers arrive or depart annually;
- (15) **"Commercial quadricycle" means a vehicle equipped with a minimum of ten (10) pairs of fully operative pedals for propulsion by means of human muscular power exclusively and which:**
- (a) Has four (4) wheels;**
 - (b) Is operated in a manner similar to that of a bicycle;**
 - (c) Is equipped with a minimum of thirteen (13) seats for passengers;**
 - (d) Has a unibody design;**
 - (e) Is equipped with a minimum of four (4) hydraulically operated brakes;**
 - (f) Is used for commercial tour purposes; and**
 - (g) Is operated by the vehicle owner or an employee of the owner;**
- (16)** "Commissioner" means the commissioner of the Department of Alcoholic Beverage Control;
- (17)**~~(16)~~ "Convention center" means any facility which, in its usual and customary

business, provides seating for a minimum of one thousand (1,000) people and offers convention facilities and related services for seminars, training and educational purposes, trade association meetings, conventions, or civic and community events or for plays, theatrical productions, or cultural exhibitions;

(18)~~(17)~~ "Convicted" and "conviction" means a finding of guilt resulting from a plea of guilty, the decision of a court, or the finding of a jury, irrespective of a pronouncement of judgment or the suspension of the judgment;

(19)~~(18)~~ "County administrator" means county alcoholic beverage control administrator;

(20)~~(19)~~ "Department" means the Department of Alcoholic Beverage Control;

(21)~~(20)~~ "Dining car" means a railroad passenger car that serves meals to consumers on any railroad or Pullman car company;

(22)~~(21)~~ "Distilled spirits" or "spirits" means any product capable of being consumed by a human being which contains alcohol in excess of the amount permitted by KRS Chapter 242 obtained by distilling, mixed with water or other substances in solution, except wine, hard cider, and malt beverages;

(23)~~(22)~~ "Distiller" means any person who is engaged in the business of manufacturing distilled spirits at any distillery in the state and is registered in the Office of the Collector of Internal Revenue for the United States at Louisville, Kentucky;

(24)~~(23)~~ "Distillery" means any place or premises where distilled spirits are manufactured for sale, and which are registered in the office of any collector of internal revenue for the United States. It includes any United States government bonded warehouse;

(25)~~(24)~~ "Distributor" means any person who distributes malt beverages for the purpose of being sold at retail;

(26)~~(25)~~ "Dry" means a territory in which a majority of the electorate voted to prohibit all forms of retail alcohol sales through a local option election held under KRS

Chapter 242;

(27)~~(26)~~ "Election" means:

- (a) An election held for the purpose of taking the sense of the people as to the application or discontinuance of alcoholic beverage sales under KRS Chapter 242; or
- (b) Any other election not pertaining to alcohol;

(28)~~(27)~~ "Field representative" means any employee or agent of the department who is regularly employed and whose primary function is to travel from place to place for the purpose of visiting taxpayers, and any employee or agent of the department who is assigned, temporarily or permanently, by the commissioner to duty outside the main office of the department at Frankfort, in connection with the administration of alcoholic beverage statutes;

(29)~~(28)~~ "Horse racetrack" means a facility licensed to conduct a horse race meeting under KRS Chapter 230;

(30)~~(29)~~ "Hotel" means a hotel, motel, or inn for accommodation of the traveling public, designed primarily to serve transient patrons;

(31)~~(30)~~ "License" means any license issued pursuant to KRS Chapters 241 to 244;

(32)~~(31)~~ "Licensee" means any person to whom a license has been issued, pursuant to KRS Chapters 241 to 244;

(33)~~(32)~~ "Limited restaurant" means:

- (a) A facility where the usual and customary business is the serving of meals to consumers, which has a bona fide kitchen facility, which receives at least seventy percent (70%) of its gross receipts from the sale of food, which maintains a minimum seating capacity of one hundred (100) persons for dining, and which is located in a wet or moist territory under KRS 242.1244(2); or
- (b) A facility where the usual and customary business is the serving of meals to

consumers, which has a bona fide kitchen facility, which receives at least seventy percent (70%) of its gross receipts from the sale of food, which maintains a minimum seating capacity of fifty (50) persons for dining, which has no open bar, which requires that alcoholic beverages be sold in conjunction with the sale of a meal, and which is located in a wet or moist territory under KRS 242.1244;

(34)~~(33)~~ "Malt beverage" means any fermented undistilled alcoholic beverage of any name or description, manufactured from malt wholly or in part, or from any substitute for malt, and includes weak cider;

(35)~~(34)~~ "Manufacture" means distill, rectify, brew, bottle, and operate a winery;

(36)~~(35)~~ "Manufacturer" means a winery, distiller, rectifier, or brewer, and any other person engaged in the production or bottling of alcoholic beverages;

(37)~~(36)~~ "Minor" means any person who is not twenty-one (21) years of age or older;

(38)~~(37)~~ "Moist" means a territory in which a majority of the electorate voted to permit limited alcohol sales by any one (1) or a combination of special limited local option elections authorized by KRS 242.022, 242.123, 242.1238, 242.124, 242.1242, 242.1244, or 242.1292;

(39)~~(38)~~ "Premises" means the land and building in and upon which any business regulated by alcoholic beverage statutes is operated or carried on. "Premises" shall not include as a single unit two (2) or more separate businesses of one (1) owner on the same lot or tract of land, in the same or in different buildings if physical and permanent separation of the premises is maintained, excluding employee access by keyed entry and emergency exits equipped with crash bars, and each has a separate public entrance accessible directly from the sidewalk or parking lot. Any licensee holding an alcoholic beverage license on July 15, 1998, shall not, by reason of this subsection, be ineligible to continue to hold his or her license or obtain a renewal, of the license;

~~(40)~~~~(39)~~ "Private club" means a nonprofit social, fraternal, military, or political organization, club, or entity maintaining or operating a club room, club rooms, or premises from which the general public is excluded;

~~(41)~~~~(40)~~ "Public nuisance" means a condition that endangers safety or health, is offensive to the senses, or obstructs the free use of property so as to interfere with the comfortable enjoyment of life or property by a community or neighborhood or by any considerable number of persons;

~~(42)~~~~(41)~~ "Qualified historic site" means a contributing property with dining facilities for at least fifty (50) persons at tables, booths, or bars where food may be served within a commercial district listed in the National Register of Historic Places, or a site that is listed as a National Historic Landmark or in the National Register of Historic Places with dining facilities for at least fifty (50) persons at tables, booths, or bars where food may be served. Notwithstanding the provisions of this subsection:

- (a) A distillery which is listed as a National Historic Landmark and which conducts souvenir retail package sales under KRS 243.0305; and
- (b) A not-for-profit or nonprofit facility listed on the National Register of Historic Places;

shall be deemed a "qualified historic site" under this section;

~~(43)~~~~(42)~~ "Rectifier" means any person who rectifies, purifies, or refines distilled spirits or wine by any process other than as provided for on distillery premises, and every person who, without rectifying, purifying, or refining distilled spirits by mixing alcoholic beverages with any materials, manufactures any imitations of or compounds liquors for sale under the name of whiskey, brandy, gin, rum, wine, spirits, cordials, bitters, or any other name;

~~(44)~~~~(43)~~ "Repackaging" means the placing of alcoholic beverages in any retail container irrespective of the material from which the container is made;

(45)~~((44))~~ "Restaurant" means a facility where the usual and customary business is the serving of meals to consumers, that has a bona fide kitchen facility, and that receives at least fifty percent (50%) of its food and beverage receipts from the sale of food;

(46)~~((45))~~ "Retail container" means any bottle, can, barrel, or other container which, without a separable intermediate container, holds alcoholic beverages and is suitable and destined for sale to a retail outlet, whether it is suitable for delivery to the consumer or not;

(47)~~((46))~~ "Retail outlet" means retailer, hotel, motel, restaurant, railroad dining car, club, and any facility where alcoholic beverages are sold directly to the consumers;

(48)~~((47))~~ "Retail sale" means any sale where delivery is made in Kentucky to any consumers;

(49)~~((48))~~ "Retailer" means any person who sells at retail any alcoholic beverage for the sale of which a license is required;

(50)~~((49))~~ "Riverboat" means any boat or vessel with a regular place of mooring in this state that is licensed by the United States Coast Guard to carry one hundred (100) or more passengers for hire on navigable waters in or adjacent to this state;

(51)~~((50))~~ "Sale" means any transfer, exchange, or barter for consideration, and includes all sales made by any person, whether principal, proprietor, agent, servant, or employee, of any alcoholic beverage;

(52)~~((51))~~ "Service bar" means a bar, counter, shelving, or similar structure used for storing or stocking supplies of alcoholic beverages that is a workstation where employees prepare alcoholic beverage drinks to be delivered to customers away from the service bar. A service bar shall be located in an area where the general public, guests, or patrons are prohibited;

(53)~~((52))~~ "Sell" includes solicit or receive an order for, keep or expose for sale, keep with intent to sell, and the delivery of any alcoholic beverage;

~~(54)~~~~(53)~~ "Small farm winery" means a winery producing wines, in an amount not to exceed fifty thousand (50,000) gallons in a calendar year;

~~(55)~~~~(54)~~ "Souvenir package" means a special package of Kentucky straight bourbon whiskey available for retail sale at a licensed Kentucky distillery where the whiskey was produced or bottled that is available from a licensed retailer;

~~(56)~~~~(55)~~ "State director" means the director of the Division of Distilled Spirits or the director of the Division of Malt Beverages, or both, as the context requires;

~~(57)~~~~(56)~~ "State park" means a state park that has a:

- (a) Nine (9) or eighteen (18) hole golf course; or
- (b) Full-service lodge and dining room, and may include a nine (9) or eighteen (18) hole golf course;

~~(58)~~~~(57)~~ "Supplemental bar" means a bar, counter, shelving, or similar structure used for serving and selling distilled spirits or wine by the drink for consumption on the licensed premises to guests and patrons from additional locations other than the main bar. A supplemental bar shall be continuously constructed and accessible to patrons for distilled spirits or wine sales or service without physical separation by walls, doors, or similar structures;

~~(59)~~~~(58)~~ "Territory" means a county, city, district, or precinct;

~~(60)~~~~(59)~~ "Vehicle" means any device or animal used to carry, convey, transport, or otherwise move alcoholic beverages or any products, equipment, or appurtenances used to manufacture, bottle, or sell these beverages;

~~(61)~~~~(60)~~ "Warehouse" means any place in which alcoholic beverages are housed or stored;

~~(62)~~~~(61)~~ "Weak cider" means any fermented fruit-based beverage containing more than one percent (1%) but less than seven percent (7%) alcohol by volume;

~~(63)~~~~(62)~~ "Wet" means a territory in which a majority of the electorate voted to permit all forms of retail alcohol sales by a local option election under KRS 242.050,

242.125, or 242.1292 on the following question: "Are you in favor of the sale of alcoholic beverages in (name of territory)?";

~~(64)~~~~((63))~~ "Wholesale sale" means a sale to any person for the purpose of resale;

~~(65)~~~~((64))~~ "Wholesaler" means any person who distributes alcoholic beverages for the purpose of being sold at retail, but it shall not include a subsidiary of a manufacturer or cooperative of a retail outlet;

~~(66)~~~~((65))~~ "Wine" means the product of the normal alcoholic fermentation of the juices of fruits, with the usual processes of manufacture and normal additions, and includes champagne and sparkling and fortified wine of an alcoholic content not to exceed twenty-four percent (24%) by volume. It includes sake, cider, hard cider, and perry cider and also includes preparations or mixtures vended in retail containers if these preparations or mixtures contain not more than fifteen percent (15%) of alcohol by volume. It does not include weak cider; and

~~(67)~~~~((66))~~ "Winery" means any place or premises in which wine is manufactured from any fruit, or brandies are distilled as a by-product of wine or other fruit, or cordials are compounded, except a place or premises that manufactures wine for sacramental purposes exclusively.

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO READ AS FOLLOWS:

(1) An authorized public consumption license or "APC license" may be issued in wet territory to an applicant operating as or in a commercial quadricycle business.

(2) The following qualifications are required before an APC license may be issued to a commercial quadricycle business for the operation of quadricycles on a public highway:

(a) The applicant shall have a business office;

(b) The applicant shall maintain general liability insurance of at least two million dollars (\$2,000,000). No license shall be issued or renewed without

written documentation of this insurance;

(c) The applicant shall possess a permit issued by the local government that has jurisdiction to grant rights to the applicant to operate its business on public roadways and highways within a specific designated operational area as its premises; and

(d) If the local government that has jurisdiction over the premises as described in paragraph (c) of this subsection chooses to issue permits under this section, that local government shall adopt an ordinance for operation of a commercial quadricycle business that contains:

1. Hours of operation;
2. Local licensing requirements;
3. Any additional insurance requirements;
4. Standards for the approval of authorized travel routes;
5. Safety and equipment standards;
6. Local inspection requirements;
7. Standards for vehicle operation; and
8. Standards for loading and unloading passengers.

(3) A holder of an APC license that operates as a commercial quadricycle business:

(a) May permit patrons to bring unopened packages of alcoholic beverages onto the licensed premises and open and drink them in nondescriptive plastic cups after boarding, and while riding, the quadricycle;

(b) Shall not permit patrons to bring or possess any glass containers of alcoholic beverages on the quadricycle;

(c) Shall not permit patrons to bring opened packages or drinks of alcoholic beverages from retail premises on the quadricycle;

(d) Shall only permit patrons to drink and consume alcoholic beverages in nondescriptive plastic cups while riding the quadricycle; and

(e) Shall not sell, permit, offer for sale, or provide or offer any samples of alcoholic beverages.

(4) An employee driver of a commercial quadricycle business holding an APC license shall:

(a) Be certified by the department's server training in alcohol regulations (STAR) education program;

(b) Not consume or be under the influence of alcoholic beverages or controlled substances while driving and operating a quadricycle; and

(c) Not be convicted of any criminal offense or violation related to alcoholic beverages or controlled substances for a minimum period of two (2) years prior to employment.

(5) Any local licensing fee imposed under Section 5 or 6 of this Act for an APC license shall not exceed the amount imposed under Section 3 of this Act for an APC license.

(6) This section does not exempt the holder of an APC license from the provisions of KRS Chapters 241 to 244 or any administrative regulation promulgated by the board, except as expressly stated in this section.

➔Section 3. 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:
 - (a) Class A, per annum\$3,090.00
 - (b) Class B (craft distillery), per annum\$1,000.00
- (2) Rectifier's license, per annum\$2,580.00
- (3) Winery license, per annum\$1,030.00
- (4) Small farm winery license, per annum\$110.00
 - (a) Small farm winery off-premises retail license, per annum\$30.00

(5) Wholesaler's license, per annum	\$2,060.00
(6) Quota retail package license, per annum.....	\$570.00
(7) Quota retail drink license, per annum	\$620.00
(8) Transporter's license, per annum	\$210.00
(9) Special nonbeverage alcohol license, per annum	\$60.00
(10) Special agent's or solicitor's license, per annum	\$30.00
(11) Bottling house or bottling house storage license, per annum	\$1,030.00
(12) Special temporary license, per event	\$90.00
(13) Special Sunday retail drink license, per annum	\$520.00
(14) Caterer's license, per annum	\$830.00
(15) Special temporary distilled spirits and wine auction license, per event	\$110.00
(16) Extended hours supplemental license, per annum	\$2,060.00
(17) Hotel in-room license, per annum	\$210.00
(18) Air transporter license, per annum	\$520.00
(19) Sampling license, per annum	\$110.00
(20) Replacement or duplicate license	\$25.00
(21) Entertainment destination license, per annum	\$7,730.00
(22) Limited restaurant license, per annum	\$780.00
(23) Limited golf course license, per annum	\$720.00
(24) Small farm winery wholesaler's license, per annum	\$110.00
(25) Qualified historic site license (includes distilled spirits, wine, and malt beverages by the drink), per annum	\$1,030.00
(26) Nonquota type 1 license, per annum	\$4,120.00
(27) Nonquota type 2 license, per annum	\$830.00
(28) Nonquota type 3 license, per annum	\$310.00

- (29) Distilled spirits and wine storage license, per annum\$620.00
- (30) Out-of-state distilled spirits and wine supplier's license, per annum\$1,550.00
- (31) Limited out-of-state distilled spirits and
 wine supplier's license, per annum\$260.00
- (32) Micro out-of-state distilled spirits and
 wine supplier's license, per annum\$10.00
- (33) **Authorized public consumption license, per annum.....\$250.00**

(34) A nonrefundable fee of sixty dollars (\$60) shall be charged to process each new transitional license pursuant to KRS 243.045.

~~(35)~~~~(34)~~ 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 establishing 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.

~~(36)~~~~(35)~~ The fee for each of the first five (5) supplemental bar licenses shall be the same as the fee for the primary retail 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.

A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each new application under this section, except for subsections (4), (8), (9), (10), (12), (15), (19), and (20) of this section. The application fee shall be applied to the licensing fee if the license is issued; otherwise it shall be retained by the department.

➔Section 4. KRS 243.034 is amended to read as follows:

- (1) A limited restaurant license may be issued to an establishment meeting the criteria established in **subsection (33) of Section 1 of this Act**~~[KRS 241.010(32)]~~ as long as the establishment is within:
 - (a) Any wet territory; or
 - (b) Any moist precinct that has authorized the sale of alcoholic beverages under

KRS 242.1244.

- (2) A limited restaurant license shall authorize the licensee to purchase, receive, possess, and sell distilled spirits, wine, and malt beverages at retail by the drink for consumption on the licensed premises. The licensee shall purchase distilled spirits, wine, and malt beverages only from licensed wholesalers or distributors. The license shall not authorize the licensee to sell distilled spirits, wine, or malt beverages by the package.
- (3) The holder of a limited restaurant license shall maintain at least seventy percent (70%) of its gross receipts from the sale of food and maintain the minimum applicable seating requirement required for the type of limited restaurant license.
- (4) (a) A limited restaurant as defined by subsection (33)(b) of Section 1 of this Act~~[KRS 241.010(32)(b)]~~ shall:
 1. Only sell distilled spirits, wine, and malt beverages incidental to the sale of a meal; and
 2. Not have an open bar and shall not sell distilled spirits, wine, and malt beverages to any person who has not purchased or does not purchase a meal.
- (b) Distilled spirits, wine, and malt beverages shall be deemed to be purchased in conjunction with a meal if the distilled spirits, wine, and malt beverages are served after the meal is ordered and no more than one-half (1/2) hour after the meal is completed.

➔Section 5. KRS 243.060 is amended to read as follows:

- (1) The fiscal court of each county or a consolidated local government in which traffic in alcoholic beverages is not prohibited under KRS Chapter 242 may impose license fees for the privilege of trafficking in alcoholic beverages. These licenses may be issued by the county or consolidated local government administrator. The license fees are subject to the provisions of subsections (2) to (6) of this section, and shall

not exceed the following:

- (a) Quota retail package license, per annum:
 - 1. In counties containing a consolidated local government\$1,200.00
 - 2. In all other counties\$1,000.00
- (b) Quota retail drink license, per annum:
 - 1. In counties containing a consolidated local government\$1,600.00
 - 2. In all other counties\$1,000.00
- (c) Nonquota type 2 retail drink license (includes distilled spirits, wine, and malt beverages), per annum:
 - 1. In counties containing a consolidated local government.....\$1,800.00
 - 2. In all other counties....\$1,000.00
- (d) Nonquota type 3 retail drink license (includes distilled spirits, wine, and malt beverages), per annum.....\$300.00
- (e) Special temporary license, per event:
 - 1. In counties containing a consolidated local government\$266.66
 - 2. In all other counties\$166.66
- (f) Special Sunday retail drink license, per annum\$300.00
- (g) Nonquota retail malt beverage package license, per annum.....\$400.00
- (h) Nonquota type 4 retail malt beverage drink license, per annum.....\$400.00
- (i) Limited restaurant license (includes distilled spirits, wine, and malt beverages), per annum:
 - 1. In counties containing a consolidated local government.....\$2,000.00
 - 2. In all other counties.....\$1,400.00
- (j) Limited golf course license (includes distilled spirits, wine, and malt beverages), per annum:
 - 1. In counties containing a consolidated local government.....\$2,000.00
 - 2. In all other counties.....\$1,400.00

(k) Authorized public consumption license, per annum.....\$250.00

- (2) The fee for the following license types may not be increased by more than five percent (5%) above the January 1, 2013, fee for the current license or the former license type listed beside it, during any five (5) year period. The fees for the licenses described in this subsection are still subject to the maximum amounts listed for those licenses in subsection (1) of this section:
- (a) Quota retail package license: retail package liquor license;
 - (b) Quota retail drink license: retail drink license;
 - (c) Nonquota type 2 retail drink license: restaurant drink license;
 - (d) Nonquota retail malt beverage package license: retail malt beverage license;
 - (e) Nonquota type 4 retail malt beverage drink license: retail malt beverage license;
 - (f) Limited restaurant license; and
 - (g) Limited golf course license.
- (3) The fee for each of the first five (5) supplemental bar licenses shall be the same as the fee for the primary 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.
- (4) The holder of a nonquota retail malt beverage package license may obtain a Nonquota type 4 malt beverage drink license for a fee of fifty dollars (\$50). The holder of a Nonquota type 4 malt beverage drink license may obtain a nonquota retail malt beverage package license for a fee of fifty dollars (\$50).
- (5) Any amount paid to any city within the county as a license fee for the same privilege for the same year may be credited against the county license fee.
- (6) If any part of this section is held invalid, all of this section and of KRS 243.600 shall also be considered invalid.

➔Section 6. KRS 243.070 is amended to read as follows:

- (1) The legislative body of any city or a consolidated local government in which traffic

in alcoholic beverages is not prohibited under KRS Chapter 242 may impose license fees for the privilege of manufacturing and trafficking in alcoholic beverages. Only those licenses set out in this section shall be issued. The license fees are subject to the provisions of subsections ~~[(16),]~~ (17), ~~and~~ (18), **and (19)** of this section, and shall not exceed the amounts specified in subsections (2) to ~~(16)~~~~[(15)]~~ of this section.

- (2) Distilled spirit licenses as set forth in KRS 243.030:
 - (a) Distiller's license, per annum\$500.00
 - (b) Rectifier's license, per annum\$3,000.00
 - (c) Wholesaler's distilled spirits and wine license, per annum\$3,000.00
 - (d) Quota retail package license, per annum:
 - 1. In counties containing a consolidated local government\$1,200.00
 - 2. In all other counties\$1,000.00
- (3) Quota retail drink license, per annum:
 - (a) In counties containing a consolidated local government\$1,600.00
 - (b) In all other counties.....\$1,000.00
- (4) Special temporary license, per event:
 - (a) In counties containing a consolidated local government\$266.66
 - (b) In all other counties.....\$166.66
- (5) Nonquota type 1 retail drink license (includes distilled spirits, wine, and malt beverages), per annum\$2,000.00
- (6) Nonquota type 2 retail drink license (includes distilled spirits, wine, and malt beverages), per annum:
 - (a) In counties containing a consolidated local government\$1,800.00
 - (b) In all other counties\$1,000.00
- (7) Nonquota type 3 retail drink license (includes distilled spirits, wine, and malt beverages), per annum\$300.00

- (8) Distilled spirits and wine special temporary auction
license, per event\$200.00
- (9) Special Sunday retail drink license, per annum\$300.00
- (10) Extended hours supplemental license, per annum\$2,000.00
- (11) Caterer's license, per annum\$800.00
- (12) Bottling house or bottling house storage license, per annum\$1,000.00
- (13) Malt beverage licenses as follows:
 - (a) Brewer's license, per annum\$500.00
 - (b) Microbrewery license, per annum\$500.00
 - (c) Malt beverage distributor's license, per annum\$400.00
 - (d) Nonquota retail malt beverage package license, per annum\$200.00
 - (e) Nonquota type 4 retail malt beverage drink license, per annum.....\$200.00
 - (f) Malt beverage brew-on-premises license, per annum\$100.00
- (14) Limited restaurant license (includes distilled spirits, wine, and malt beverages), per
annum:
 - (a) In counties containing a consolidated local government\$1,800.00
 - (b) In all other counties.....\$1,200.00
- (15) Limited golf course license (includes distilled spirits, wine, and malt beverages), per
annum:
 - (a) In counties containing a consolidated local government\$1,800.00
 - (b) In all other counties\$1,200.00
- (16) **Authorized public consumption license, per annum.....\$250.00**

(17) The fee for the following license types may not be increased by more than five percent (5%) above the January 1, 2013, fee for the current license or the former license type listed beside it, during any five (5) year period. The fees for the licenses described in this subsection are still subject to the maximum amounts listed for those licenses in subsections (2) to **(16)**~~[(15)]~~ of this section:

- (a) Quota retail package license: retail package liquor license;
- (b) Quota retail drink license: retail drink license;
- (c) Nonquota type 1 retail drink license: convention center or convention hotel complex license;
- (d) Nonquota type 2 retail drink license: restaurant drink license;
- (e) Nonquota retail malt beverage package license: retail malt beverage license;
- (f) Nonquota type 4 retail malt beverage drink license: retail malt beverage license;
- (g) Limited restaurant license; and
- (h) Limited golf course license.

~~(18)~~~~(17)~~ The fee for each of the first five (5) supplemental bar licenses shall be the same as the fee for the primary 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.

~~(19)~~~~(18)~~ The holder of a nonquota retail malt beverage package license may obtain a Nonquota type 4 malt beverage drink license for a fee of fifty dollars (\$50). The holder of a Nonquota type 4 malt beverage drink license may obtain a nonquota retail malt beverage package license for a fee of fifty dollars (\$50).

➔Section 7. KRS 244.085 is amended to read as follows:

- (1) As used in KRS 244.083 and this section: "Premises" has the meaning it is given in KRS 241.010 and also means the place of business of a person licensed to sell alcoholic beverages including, in the case of drive-in establishments, the entire lot upon which the business establishment is situated.
- (2) A person under twenty-one (21)~~(21)~~ years of age shall not enter any premises licensed for the sale of alcoholic beverages for the purpose of purchasing or receiving any alcoholic beverages.
- (3) A person under twenty-one (21)~~(21)~~ years of age shall not possess for his or her

own use or purchase or attempt to purchase or have another purchase for him or her any alcoholic beverages. No person shall aid or assist any person under twenty-one (21)~~[21]~~ years of age in purchasing or having delivered or served to him or her any alcoholic beverages.

- (4) A person under twenty-one (21)~~[21]~~ years of age shall not misrepresent his or her age for the purpose of inducing any licensee, or the licensee's agent, servant, or employee, to sell or serve any alcoholic beverages to the underage person.
- (5) A person under twenty-one (21)~~[21]~~ years of age shall not use, or attempt to use any false, fraudulent, or altered identification card, paper, or any other document to purchase or attempt to purchase or otherwise obtain any alcoholic beverage.
- (6) Except as provided in KRS 244.087 and 244.090, a licensee, or his or her agents, servants, or employees shall not permit any person under twenty-one (21) years of age to remain on any premises where alcoholic beverages are sold by the drink or consumed on the premises, unless:
 - (a) The usual and customary business of the establishment is a hotel, motel, restaurant, convention center, convention hotel complex, racetrack, simulcast facility, golf course, private club, park, fair, church, school, athletic complex, athletic arena, theater, small farm winery, distillery or brewery or winery tour, convenience store, grocery store, drug store, licensed APC premises, or similar establishment;
 - (b) All alcoholic beverage inventory is kept in a separate, locked department at all times when minors are on the premises;
 - (c) Written approval has been granted by the department to allow minors on the premises until 10 p.m. where the sale of alcohol is incidental to a specific family or community event including but not limited to weddings, reunions, or festivals. The licensee's request shall be in writing and shall specifically describe the event for which approval is requested. The state director shall

approve or deny the request in writing; or

- (d) The usual and customary business of the establishment is an entertainment facility where prebooked concerts are held. For the purpose of this paragraph, house bands, disc jockeys, and karaoke are not considered concerts. During the times minors are on the premises under this paragraph, the licensee shall:
1. Maintain the responsibility of all ticket sales;
 2. Sell the concert tickets directly to the patron or have a contractual agreement with a vendor or promoter to sell the concert tickets for the licensee;
 3. Maintain records of all gross concert ticket sales. The concert tickets shall have the name of a band or performer as well as the date of the concert;
 4. Permit minors to be in the area where the concert is taking place only during the time of the concert; and
 5. Prohibit minors on the premises until thirty (30) minutes prior to the concert and prohibit minors from remaining on the premises more than thirty (30) minutes after the concert performance has ended.
- (7) Except as provided in subsection (6) of this section, a licensee or the licensee's agent, servant, or employee shall not allow any person under the age of twenty-one (21) to remain on any premises that sells alcoholic beverages by the package unless the underage person is accompanied by a parent or guardian or the usual and customary business of the establishment is a convenience store, grocery store, drugstore, or similar establishment.
- (8) Except as provided in subsection (6) of this section, a person under the age of twenty-one (21) shall not remain on any premises that sells alcoholic beverages by the package unless he or she is accompanied by a parent or guardian or the usual and customary business of the establishment is a convenience store, grocery store,

drugstore, or similar establishment.

- (9) A violation of subsection (2), (3), (4), (5), or (8) of this section shall be deemed a status offense if committed by a person under the age of eighteen (18) and shall be under the jurisdiction of the juvenile session of the District Court or the family division of the Circuit Court, as appropriate.