

1 AN ACT relating to transporting alcoholic beverages.

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

3 ➔Section 1. KRS 243.200 is amended to read as follows:

- 4 (1) (a) A transporter's license may be issued as a primary license to a person engaged  
5 in business as a common carrier. A transporter's licensee may transport  
6 alcoholic beverages to or from the licensed premises of any licensee under this  
7 chapter if both the consignor and consignee in each case are authorized by the  
8 law of the states of their residence to sell, purchase, ship, or receive the  
9 alcoholic beverages.
- 10 (b) A transporter's license shall be issued only to persons authorized by proper  
11 certificate from the Department of Vehicle Regulation to engage in the  
12 business of a common carrier. Holders of a transporter's license issued under  
13 this section may transport alcoholic beverages in Kentucky only in conformity  
14 with the provisions of their common carrier certificate issued by the  
15 Transportation Cabinet. Such licensees are specifically prohibited from  
16 transporting alcoholic beverages anywhere within the state, except upon the  
17 route authorized by their respective common carrier certificates.
- 18 (2) (a) No person, firm, or corporation operating motor vehicles for hire over the  
19 highways of this state, under authority of a Certificate of Convenience and  
20 Necessity issued by the Transportation Cabinet, covering the same territory or  
21 highways designated in the certificate as irregular common carrier issued by  
22 the Interstate Commerce Commission shall be authorized or permitted to  
23 transport any alcoholic beverages in this state until the carrier has procured an  
24 appropriate transporter's license from the department, and filed with the  
25 department a statement of the proposed route of the territory over which the  
26 carrier proposes to transport alcoholic beverages.
- 27 (b) The statement of route shall be accompanied by an exhibit consisting of a

1 Kentucky road map with the proposed route clearly indicated by suitable  
2 marking.

3 (c) The proposed route shall be restricted to designated federal highways, except  
4 as to access side roads to distilleries and terminals. The side roads shall be the  
5 nearest and most traveled route from the distillery to the designated federal  
6 highway, and shall be no more than seven (7) miles from the federal highway.

7 (d) When the carrier has obtained a transporter's license for distilled spirits and  
8 wine from the department for transportation over designated routes, pursuant  
9 to a regular common carrier certificate, no additional license shall be required  
10 upon filing of the designated routes and exhibit required under this section.

11 (e) The license shall be issued to a person legally transporting alcoholic beverages  
12 to allow transportation of the beverages over numbered Kentucky state  
13 highways, or officially prescribed detours from those highways.

14 (3) A transporter's license may be issued to a steam, diesel, or gasoline boatline,  
15 desiring to haul alcoholic beverages in barrels or in unbroken case lots, if it  
16 maintains published river-rail rates, but licensees shall not be restricted to routes  
17 covered by such river-rail rates.

18 (4) A transporter's license may be issued as a primary or supplementary license to any  
19 nonresident distiller, winery, or wholesaler who is authorized by the state of his or  
20 her residence and the federal government to receive and transport distilled spirits  
21 and wine. The nonresident licensee may transport for himself or herself only,  
22 distilled spirits and wine from the licensed premises of a Kentucky manufacturer,  
23 distiller, winery, or rectifier to the transporter's licensed premises only, and  
24 beverages on which the Kentucky tax has been paid may be transported from the  
25 licensed premises of a nonresident distiller, winery, or rectifier to wholesaler  
26 licensees within the Commonwealth of Kentucky, if he or she transports the  
27 alcoholic beverages in a truck or other vehicle owned and operated by a nonresident

1 licensee. Each truck or vehicle shall have affixed to its side a sign in uniform letters  
2 of at least three (3) inches high containing the name of the company and the state  
3 and federal permit numbers for the vehicles.

4 (5) An application for a transporter's license shall include a statement that the applicant,  
5 if granted a license, will allow any authorized field representative of the department  
6 to stop and examine the cargo of any truck or vehicle in which alcoholic beverages  
7 are being transported within the boundaries of the Commonwealth of Kentucky.

8 (6) All persons or entities holding a transporter's license shall be required to file reports  
9 with the Department of Revenue on or before the fifteenth of each month, covering  
10 the preceding month's transactions. Only one (1) report may be submitted to cover  
11 each unit shipment of alcoholic beverages transported into and from the state. Each  
12 Department of Revenue report shall show the state license number, the name and  
13 address of consignor and consignee, shipping date, delivery date, and number of  
14 cases according to size contained in each shipment, and shall be signed by an  
15 official of the company handling the shipment.

16 (7) A transporter's license may be issued as a primary license to a person or entity  
17 wishing to transport distilled spirits and wine through this state over the public  
18 highways. A transporter's license authorizes the holder to transport distilled spirits  
19 and wine during the period of the license. The driver of a vehicle so transporting  
20 shall be in the possession of a copy of the license and bills of lading, consignment,  
21 or other evidence of ownership of the cargo which tally with the cargo. Failure of  
22 the driver to be in possession of these documents shall be prima facie evidence of  
23 illegal trafficking. The transporting of distilled spirits and wine without a  
24 transporter's license shall subject the offending party to the penalties established in  
25 KRS 243.990.

26 (8) A transporter's license may be issued as a primary license to a person wishing to  
27 transfer distilled spirits or wine from a licensed transporter to one (1) truck from

1 another. The licensee may receive from and tender to transporters duly licensed  
2 under this section those distilled spirits and wine consigned to licensees under KRS  
3 243.020, in the Commonwealth of Kentucky.

4 (9) (a) A transporter's license may be issued as a primary license to a person or entity  
5 wishing to export malt beverages from the licensed premises of a Kentucky  
6 brewer or from the warehouse of a licensed Kentucky distributor, or from  
7 another state, through Kentucky. A transporter's license may be issued to an  
8 applicant who holds a beer wholesaler or distributor's license issued by the  
9 state into which malt beverages are to be transported, or who is licensed by the  
10 state to transport those malt beverages.

11 (b) Applicants for the transporter's license under this subsection, and their  
12 employees, may be exempt from the residence requirements of KRS 243.100  
13 and 244.090.

14 (c) A transporter's license shall authorize the holder to transport malt beverages  
15 from the licensed premises of a Kentucky brewer or from the warehouse of the  
16 licensed Kentucky distributor, or from another state, through Kentucky, if the  
17 licensee transports the malt beverages in a truck or other vehicle carrying a  
18 transporter's license and owned and operated by its employees.

19 (10) A transporter's license may be issued as a primary or supplemental license to a  
20 person, except a retailer, wishing to transport malt beverages for hire. A  
21 transporter's license shall authorize the licensee to transport malt beverages for hire  
22 to or from the licensed premises of any licensee, except retailers, if both the  
23 consignor and consignee in each case are authorized by the law of the states of their  
24 residence to sell, purchase, ship, or receive the malt beverages. A transporter  
25 licensee may transport malt beverages for hire to or from the licensed premises of  
26 any licensee under KRS 243.040 in counties containing a population of less than  
27 forty thousand (40,000) if both the consignor and consignee in each case are

1 authorized by the laws of the states of their residence to sell, purchase, ship, or  
2 receive the malt beverages.

3 (11) No person except a railroad company or railway express company shall transport or  
4 cause to be transported any distilled spirits or wine, unless expressly authorized to  
5 do so by law.

6 (12) Distilled spirits and wine may be transported by the holder of any license authorized  
7 to transport distilled spirits and wine to and from express or freight depots and the  
8 licensee's premises.

9 (13) A licensed alcoholic beverage store operator may move, within the same county,  
10 alcoholic beverages from one of the operator's licensed stores to another without a  
11 transporter's license. However, the licensed store operator shall keep and maintain,  
12 in one (1) of his or her stores in that county, adequate books and records of the  
13 transactions involved in transporting alcoholic beverages from one (1) licensed  
14 store to another in accordance with standards established in administrative  
15 regulations promulgated by the board. The records shall be available to the  
16 department and the Department of Revenue upon request.

17 **(14) (a) A supplemental transporter's license may be issued to a quota retail**  
18 **package licensee wishing to transport alcoholic beverages to another quota**  
19 **retail package licensee where the retail premises have at least two-thirds**  
20 **(2/3) common ownership if the licensee:**

21 **1. Derives not less than ninety percent (90%) of his or her cash receipts**  
22 **from the sale of alcoholic beverages; and**

23 **2. Pays the annual supplemental transporter's license fee established in**  
24 **Section 2 of this Act.**

25 **(b) The supplemental transporter's license fee shall permit a quota retail**  
26 **package licensee to make unlimited yearly transactions between two (2)**  
27 **retail premises designated on the license. A separate license shall be**

1 required for each retail premise if the operator wishes to move alcoholic  
2 beverages between other retail premises of at least two-thirds (2/3) common  
3 ownership.

4 (c) A quota retail package licensee holding a supplemental transporter's license  
5 under this subsection shall:

6 1. Maintain for three (3) years at one (1) of his or her retail premises  
7 adequate books and records of the transactions involved in  
8 transporting alcoholic beverages from one (1) licensed retail premise  
9 to another in accordance with standards established in administrative  
10 regulations promulgated by the department; and

11 2. Transport the alcoholic beverages in a truck which has:

12 a. Been marked with the supplemental transport license number in  
13 conformity with administrative regulations of the department;  
14 and

15 b. Interior dimensions in the cargo area of not greater than ten  
16 (10) feet by fifteen (15) feet.

17 (d) The driver of a vehicle transporting alcohol under this subsection shall  
18 maintain a copy of the supplemental transporter's license and bills of  
19 lading, consignment, or other evidence of ownership of the cargo. Failure  
20 of the driver to be in possession of these documents shall be prima facie  
21 evidence of illegal trafficking. The transporting of distilled spirits and wine  
22 without a transporter's license shall subject the offending party to the  
23 penalties established in KRS 243.990.

24 (e) The transport of alcoholic beverages by the holder of a supplemental  
25 transporter's license shall be from the retail premises of one (1) retail  
26 licensee to another only.

27 (f) A supplemental transport license shall be limited to one (1) vehicle per

1                    *license. Nothing in the subsection shall prohibit retail licensees with at least*  
 2                    *two-thirds (2/3) common ownership and multiple supplemental transporter*  
 3                    *licenses from use of the same designated vehicle.*

4     ~~(15)~~~~(14)~~ Distilled spirits and wine may be transported by any licensed retailer selling  
 5                    distilled spirits or wine, by the package or by the drink, from the premises of a  
 6                    licensed wholesaler to the licensed premises of the retail licensee. Any retailer  
 7                    transporting alcoholic beverages under this subsection shall do so in a vehicle  
 8                    marked in conformity with administrative regulations of the department. Both the  
 9                    wholesaler and the retailer engaging in activity under this subsection shall be  
 10                    responsible for maintaining records documenting the transactions.

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

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

- 14     (1) Distiller's license:
  - 15                    (a) Class A, per annum .....\$3,090.00
  - 16                    (b) Class B (craft distillery), per annum.....\$1,000.00
- 17     (2) Rectifier's license:
  - 18                    (a) Class A, per annum .....\$2,580.00
  - 19                    (b) Class B (craft rectifier), per annum .....\$825.00
- 20     (3) Winery license, per annum .....\$1,030.00
- 21     (4) Small farm winery license, per annum .....\$110.00
  - 22                    (a) Small farm winery off-premises retail license, per annum .....\$30.00
- 23     (5) Wholesaler's license, per annum .....\$2,060.00
- 24     (6) Quota retail package license, per annum.....\$570.00
- 25     (7) Quota retail drink license, per annum .....\$620.00
- 26     (8) Transporter's license, per annum .....\$210.00
- 27     **(9) Supplemental transporter's license, per annum.....\$100.00**

1	<del>(10)</del> <del>(9)</del>	Special nonbeverage alcohol license, per annum .....	\$60.00
2	<del>(11)</del> <del>(10)</del>	Special agent's or solicitor's license, per annum .....	\$30.00
3	<del>(12)</del> <del>(11)</del>	Bottling house or bottling house storage license,	
4		per annum .....	\$1,030.00
5	<del>(13)</del> <del>(12)</del>	Special temporary license, per event .....	\$90.00
6	<del>(14)</del> <del>(13)</del>	Special Sunday retail drink license, per annum .....	\$520.00
7	<del>(15)</del> <del>(14)</del>	Caterer's license, per annum .....	\$830.00
8	<del>(16)</del> <del>(15)</del>	Special temporary alcoholic beverage	
9		auction license, per event .....	\$110.00
10	<del>(17)</del> <del>(16)</del>	Extended hours supplemental license, per annum .....	\$2,060.00
11	<del>(18)</del> <del>(17)</del>	Hotel in-room license, per annum .....	\$210.00
12	<del>(19)</del> <del>(18)</del>	Air transporter license, per annum .....	\$520.00
13	<del>(20)</del> <del>(19)</del>	Sampling license, per annum .....	\$110.00
14	<del>(21)</del> <del>(20)</del>	Replacement or duplicate license .....	\$25.00
15	<del>(22)</del> <del>(21)</del>	Entertainment destination license, per annum .....	\$7,730.00
16	<del>(23)</del> <del>(22)</del>	Limited restaurant license, per annum. ....	\$780.00
17	<del>(24)</del> <del>(23)</del>	Limited golf course license, per annum.....	\$720.00
18	<del>(25)</del> <del>(24)</del>	Small farm winery wholesaler's license, per annum .....	\$110.00
19	<del>(26)</del> <del>(25)</del>	Qualified historic site license (includes distilled spirits, wine, and malt	
20		beverages by	
21		the drink), per annum .....	\$1,030.00
22	<del>(27)</del> <del>(26)</del>	Nonquota type 1 license, per annum	
23		.....	\$4,120.00
24	<del>(28)</del> <del>(27)</del>	Nonquota type 2 license, per annum.....	\$830.00
25	<del>(29)</del> <del>(28)</del>	Nonquota type 3 license, per annum.....	\$310.00
26	<del>(30)</del> <del>(29)</del>	Distilled spirits and wine storage license, per annum	
27		.....	\$620.00



1 ~~(31)~~~~(30)~~ Out-of-state distilled spirits and wine supplier's license, per annum  
2 .....\$1,550.00

3 ~~(32)~~~~(31)~~ Limited out-of-state distilled spirits and  
4 wine supplier's license, per annum .....\$260.00

5 ~~(33)~~~~(32)~~ Micro out-of-state distilled spirits and  
6 wine supplier's license, per annum .....\$10.00

7 ~~(34)~~~~(33)~~ Authorized public consumption license, per annum.....\$250.00

8 ~~(35)~~~~(34)~~ A nonrefundable fee of sixty dollars (\$60) shall be charged to process each  
9 new transitional license pursuant to KRS 243.045.

10 ~~(36)~~~~(35)~~ Other special licenses the board finds necessary for the proper regulation and  
11 control of the traffic in distilled spirits and wine and provides for by administrative  
12 regulation. In establishing the amount of license taxes that are required to be fixed  
13 by the board, it shall have regard for the value of the privilege granted.

14 ~~(37)~~~~(36)~~ The fee for each of the first five (5) supplemental bar licenses shall be the  
15 same as the fee for the primary retail drink license. There shall be no charge for  
16 each supplemental license issued in excess of five (5) to the same licensee at the  
17 same premises.

18 A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each  
19 new application under this section, except for subsections (4), (8), ~~(10)~~~~(9)~~, ~~(11)~~~~(10)~~,  
20 ~~(13)~~~~(12)~~, ~~(16)~~~~(15)~~, ~~(20)~~~~(19)~~, and ~~(21)~~~~(20)~~ of this section. The application fee shall  
21 be applied to the licensing fee if the license is issued; otherwise it shall be retained by the  
22 department.