

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 or a nonquota malt beverage package licensee wishing to**
19 **transport alcoholic beverages as belonging to the holder of the license**
20 **between stores of 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. The supplemental transporter's license fee shall**
25 **permit a quota retail package licensee to make unlimited yearly**
26 **transactions between two (2) stores of common ownership designated**
27 **on the license. A separate license shall be required for each store if the**

1 operator wishes to move alcoholic beverages between other stores of
 2 common ownership.

3 (b) A quota retail package licensee or a nonquota malt beverage package
 4 licensee holding a supplemental transporter's license under this subsection
 5 shall:

- 6 1. Maintain in one (1) of his or her stores adequate books and records of
 7 the transactions involved in transporting alcoholic beverages from one
 8 (1) licensed store to another in accordance with standards established
 9 in administrative regulations promulgated by the department; and
 10 2. Transport the alcoholic beverages in a vehicle marked in conformity
 11 with administrative regulations of the department.

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

19 ~~(15)~~~~[(14)]~~ Distilled spirits and wine may be transported by any licensed retailer selling
 20 distilled spirits or wine, by the package or by the drink, from the premises of a
 21 licensed wholesaler to the licensed premises of the retail licensee. Any retailer
 22 transporting alcoholic beverages under this subsection shall do so in a vehicle
 23 marked in conformity with administrative regulations of the department. Both the
 24 wholesaler and the retailer engaging in activity under this subsection shall be
 25 responsible for maintaining records documenting the transactions.

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

27 The following kinds of distilled spirits and wine licenses may be issued by the

1 director of the Division of Distilled Spirits, the fees for which shall be:

2 (1) Distiller's license:

3 (a) Class A, per annum\$3,090.00

4 (b) Class B (craft distillery), per annum\$1,000.00

5 (2) Rectifier's license:

6 (a) Class A, per annum\$2,580.00

7 (b) Class B (craft rectifier), per annum\$825.00

8 (3) Winery license, per annum\$1,030.00

9 (4) Small farm winery license, per annum\$110.00

10 (a) Small farm winery off-premises retail license, per annum\$30.00

11 (5) Wholesaler's license, per annum\$2,060.00

12 (6) Quota retail package license, per annum.....\$570.00

13 (7) Quota retail drink license, per annum\$620.00

14 (8) Transporter's license, per annum\$210.00

15 **(9) Supplemental transporter's license, per annum.....\$100.00**

16 ~~(10)~~ Special nonbeverage alcohol license, per annum\$60.00

17 ~~(11)~~ Special agent's or solicitor's license, per annum\$30.00

18 ~~(12)~~ Bottling house or bottling house storage license,

19 per annum\$1,030.00

20 ~~(13)~~ Special temporary license, per event\$90.00

21 ~~(14)~~ Special Sunday retail drink license, per annum \$520.00

22 ~~(15)~~ Caterer's license, per annum \$830.00

23 ~~(16)~~ Special temporary alcoholic beverage

24 auction license, per event\$110.00

25 ~~(17)~~ Extended hours supplemental license, per annum\$2,060.00

26 ~~(18)~~ Hotel in-room license, per annum\$210.00

27 ~~(19)~~ Air transporter license, per annum\$520.00

- 1 ~~(20)~~~~(19)~~ Sampling license, per annum\$110.00
- 2 ~~(21)~~~~(20)~~ Replacement or duplicate license\$25.00
- 3 ~~(22)~~~~(21)~~ Entertainment destination license, per annum\$7,730.00
- 4 ~~(23)~~~~(22)~~ Limited restaurant license, per annum.\$780.00
- 5 ~~(24)~~~~(23)~~ Limited golf course license, per annum.....\$720.00
- 6 ~~(25)~~~~(24)~~ Small farm winery wholesaler's license, per annum\$110.00
- 7 ~~(26)~~~~(25)~~ Qualified historic site license (includes distilled spirits, wine, and malt
- 8 beverages by the drink), per annum\$1,030.00
- 9 ~~(27)~~~~(26)~~ Nonquota type 1 license, per annum
- 10 \$4,120.00
- 11 ~~(28)~~~~(27)~~ Nonquota type 2 license, per annum.....\$830.00
- 12 ~~(29)~~~~(28)~~ Nonquota type 3 license, per annum.....\$310.00
- 13 ~~(30)~~~~(29)~~ Distilled spirits and wine storage license, per annum
- 14 \$620.00
- 15 ~~(31)~~~~(30)~~ Out-of-state distilled spirits and wine supplier's license, per annum
- 16 \$1,550.00
- 17 ~~(32)~~~~(31)~~ Limited out-of-state distilled spirits and
- 18 wine supplier's license, per annum\$260.00
- 19 ~~(33)~~~~(32)~~ Micro out-of-state distilled spirits and
- 20 wine supplier's license, per annum\$10.00
- 21 ~~(34)~~~~(33)~~ Authorized public consumption license, per annum.....\$250.00
- 22 ~~(35)~~~~(34)~~ A nonrefundable fee of sixty dollars (\$60) shall be charged to process each
- 23 new transitional license pursuant to KRS 243.045.
- 24 ~~(36)~~~~(35)~~ Other special licenses the board finds necessary for the proper regulation and
- 25 control of the traffic in distilled spirits and wine and provides for by administrative
- 26 regulation. In establishing the amount of license taxes that are required to be fixed
- 27 by the board, it shall have regard for the value of the privilege granted.

1 ~~(37)~~~~(36)~~ The fee for each of the first five (5) supplemental bar licenses shall be the
2 same as the fee for the primary retail drink license. There shall be no charge for
3 each supplemental license issued in excess of five (5) to the same licensee at the
4 same premises.

5 A nonrefundable application fee of fifty dollars (\$50) shall be charged to process each
6 new application under this section, except for subsections (4), (8), ~~(10)~~~~(9)~~, ~~(11)~~~~(10)~~,
7 ~~(13)~~~~(12)~~, ~~(16)~~~~(15)~~, ~~(20)~~~~(19)~~, and ~~(21)~~~~(20)~~ of this section. The application fee shall
8 be applied to the licensing fee if the license is issued; otherwise it shall be retained by the
9 department.