1 AN ACT relating to direct shipment of alcoholic beverages and declaring an 2 emergency. 3 Be it enacted by the General Assembly of the Commonwealth of Kentucky: → Section 1. KRS 243.0305 is amended to read as follows: 4 5 Any licensed Kentucky distiller that is located in wet territory or in any precinct that (1) 6 has authorized the limited sale of alcoholic beverages at distilleries under KRS 7 242.1243 and that has a gift shop or other retail outlet on its premises may conduct 8 the activities permitted under this section as a part of its distiller's license. 9 For purposes of all retail drink and package sales under this section, a wholesaler (2) 10 registered to distribute the brands of any distiller shall [may] permit the distiller to 11 deliver its products[a souvenir package] directly from the distillery proper to any 12 portion of the distillery premises. However, for purposes of all retail drink and 13 package sales by distillers under subsections (3), (8), and (9) of this section all 14 direct shipments shall be invoiced from the distiller to the wholesaler and from the 15 wholesaler to the distiller, and all products directly shipped shall be included in the 16 wholesaler's inventory and depletions for purposes of tax collections imposed 17 pursuant to KRS 243.710 to 243.895 and 243.990. A distiller may sell souvenir packages at retail to: 18 (3) 19 To distillery visitors of legal drinking age, in quantities not to exceed an 20 aggregate of *nine*[four and one-half (4-1/2)] liters per *purchaser*[visitor] per 21 day. At the purchaser's request, an order may be delivered or shipped 22 directly to the purchaser. All deliveries or shipments shall be made through 23 a licensed common carrier authorized to deliver or ship distilled spirits in 24 the jurisdiction to which the products will be delivered or shipped; and 25 (b) Pursuant to monthly subscription or distillery-sponsored club programs, in quantities not to exceed an aggregate of nine (9) liters per calendar year, if 26 the enrollment and payment for the subscription or club is arranged in 27

1		person at the distillery. At the member's request, an order may be delivered
2		or shipped directly to the member. All deliveries or shipments shall be made
3		through a licensed common carrier authorized to deliver or ship distilled
4		spirits in the jurisdiction to which the products will be delivered or shipped.
5	(4)	Hours of sale for souvenir packages at retail shall be in conformity with KRS
6		244.290(3).
7	(5)	Except as provided in this section, souvenir package sales shall be governed by all
8		the statutes and administrative regulations governing the retail sale of distilled
9		spirits by the package.
10	(6)	No wholesaler may restrict the sale of souvenir packages to the distiller of origin
11		exclusively, but shall make souvenir packages available to any Kentucky retail
12		licensee licensed for the sale of distilled spirits by the package.
13	(7)	Notwithstanding any provision of KRS 244.050 to the contrary, a distillery holding
14		a sampling license may allow visitors to sample distilled spirits under the following
15		conditions:
16		(a) Sampling shall be permitted only on the licensed premises during regular
17		business hours;
18		(b) A distillery shall not charge for the samples; and
19		(c) A distillery shall not provide more than one and three-fourths (1-3/4) ounces
20		of samples per visitor per day.
21	(8)	Notwithstanding the provisions of KRS 243.110, in accordance with this section, a
22		distillery located in wet territory or in any territory that has authorized the limited
23		sale of alcoholic beverages under an election held pursuant to KRS 242.1243 may:
24		(a) Hold an NQ2 retail drink license for the sale of alcoholic beverages on the
25		distillery premises[. Notwithstanding KRS 243.110, a licensed distiller may
26		also hold any of the retail licenses available to it under this section]; and
27		(b) [Sell alcoholic beverages produced or bottled on the premises of its Kentucky

1		licensed distillery for on premises purposes without having to transfer
2		physical possession of those alcoholic beverages to a licensed wholesaler if:
3		1. All direct shipments are invoiced from the distiller to its wholesaler and
4		from the wholesaler to the distiller; and
5		2. All products directly shipped are included in the wholesaler's inventory
6		and depletions for purposes of tax collections imposed pursuant to KRS
7		243.710 to 243.890 and 243.990; and
8		(e) Employ persons to engage in the sale or service of alcohol under an NQ2
9		license, if each employee completes the department's Server Training in
10		Alcohol Regulations program within thirty (30) days of beginning
11		employment.
12	(9)	A distiller may sell to consumers at fairs, festivals, and other similar types of events
13		located in wet territory alcoholic beverages by the drink, containing spirits distilled
14		or bottled on the premises of the distillery.
15	(10)	Except as expressly stated in this section, this section does not exempt the holder of
16		a distiller's license from:
17		(a) The provisions of KRS Chapters 241 to 244;
18		(b) The administrative regulations of the board; and
19		(c) Regulation by the board at all the distiller's licensed premises.
20	(11)	Nothing in this section shall be construed to vitiate the policy of this
21		Commonwealth supporting an orderly three (3) tier system for the production and
22		sale of alcoholic beverages.
23		→ Section 2. KRS 243.120 is amended to read as follows:
24	(1)	A distiller's, rectifier's, or winery license shall authorize the licensee to engage in
25		the business of distiller, rectifier, or winery at the premises specifically designated
26		in the license, to maintain aging warehouses, and to transport for himself or herself
27		only any alcoholic beverage which he or she is authorized under the license to

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1		man	utacture or sell. The licensee shall transport alcoholic beverages only by a
2		vehi	cle operated by himself or herself, which has affixed to its sides at all times a
3		sign	of form and size prescribed by the state board, containing among other things
4		the	name and license number of the licensee. No distilled spirits or wine shall be
5		tran	sported on the same truck or vehicle with malt beverages, except by a common
6		carr	ier, unless the owner of the truck or vehicle holds a distributor's license.
7	(2)	(a)	Distillers that produce more than fifty thousand (50,000) gallons of distilled
8			spirits per calendar year at the premises shall obtain a distiller's license, Class
9			A.
10		(b)	Distillers that produce fifty thousand (50,000) gallons or less of distilled
11			spirits per calendar year at the premises shall obtain a distiller's license, Class
12			B (craft distillery).

Rectifiers that rectify more than fifty thousand (50,000) gallons of distilled (3) (a) spirits per calendar year at the premises shall obtain a rectifier's license, Class A.

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- (b) Rectifiers that rectify fifty thousand (50,000) gallons or less of distilled spirits per calendar year at the premises shall obtain a rectifier's license, Class B (craft rectifier).
- 19 (4) (a) A distiller that is located in wet territory, or in any precinct that has authorized 20 the limited sale of alcoholic beverages at distilleries under KRS 242.1243, 21 may sell distilled spirits by the drink or by the package at retail to consumers 22 in accordance with KRS 243.0305.
- 23 (b) Any distilled spirits sold under this subsection shall be taxed and distributed 24 in the same manner as [souvenir package] sales under KRS 243.0305(2).
- 25 Except as provided in this subsection, sales under this subsection shall be (c) 26 governed by all of the statutes and administrative regulations governing the 27 retail sale of distilled spirits by the drink.

1	<u>(5)</u>	Nothing in this section shall be construed to:
2		(a) Vitiate the policy of this Commonwealth supporting an orderly three (3) tier
3		system for the production and sale of alcoholic beverages; or
4		(b) Allow delivery or shipment of alcohol into dry or moist territory.
5		→ Section 3. KRS 243.130 is amended to read as follows:
6	(1)	Sales and deliveries of distilled spirits and wine may be made at wholesale, and
7		from the licensed premises only:
8		(a) By distillers to rectifiers, wineries, holders of special nonbeverage alcohol
9		licenses so far as they may make the purchases, or other distillers;
10		(b) By rectifiers to wineries or to distillers if distilled spirits sold to distillers are
11		packaged in retail containers;
12		(c) By wineries to rectifiers or other wineries, or to the holders of special
13		nonbeverage alcohol licenses;
14		(d) By distillers, rectifiers, or wineries to wholesalers; or
15		(e) By distillers, rectifiers, or wineries for export out of the state.
16	(2)	No distiller, rectifier, or winery shall sell or contract to sell, give away, or deliver
17		any alcoholic beverages to any person who is not authorized by the law of the state
18		of the person's residence, and of the United States government if located in the
19		United States, to receive and possess those alcoholic beverages. <i>Except as provided</i>
20		in Section 1 of this Act, no distiller, rectifier, or winery shall sell or contract to sell,
21		give away, or deliver any of its products to any retailer or consumer in Kentucky.
22	(3)	Employees of distillers, rectifiers, and wineries may sample the products produced
23		by that manufacturer for purposes of education, quality control, and product
24		development.
25	(4)	Distillers may purchase distilled spirits only from other licensed distillers in this
26		state or in another state or province, but distillers may purchase from rectifiers

licensed in Kentucky, distilled spirits which are packaged in retail containers.

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1	(5)	Rectifiers may purchase distilled spirits and wine only from licensed distillers or
2		wineries in Kentucky, or from nonresident distillers or wineries authorized by the
3		law of the state of their residence and by the United States government, if the
1		distillers or wineries are located in the United States, to make the sales.

- Wineries may purchase distilled spirits or wine only from licensed distillers or wineries in Kentucky, or from nonresident distillers or wineries authorized by law of the state of their residence, and by the United States government if located in the United States, to make the sales.
- 9 (7) Nothing shall prohibit the purchase or sale of warehouse receipts by any person, but
 10 this subsection does not authorize the owner of a warehouse receipt to accept
 11 delivery of any distilled spirits unless the owner is a person who is permitted by law
 12 to receive the distilled spirits.

(8) Nothing in this section shall be construed to:

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- 14 (a) Vitiate the policy of this Commonwealth supporting an orderly three (3) tier

 15 system for the production and sale of alcoholic beverages; or
 - (b) Allow delivery or shipment of alcohol into dry or moist territory.
- → Section 4. KRS 243.155 is amended to read as follows:
- 18 Any in-state or out-of-state small farm winery may apply for a small farm winery (1) 19 license. In addition to all other licensing requirements, an applicant for a small farm winery license shall submit with its application a copy of the small farm winery's 20 21 federal basic permit and proof documenting its annual wine production. An out-of-22 state winery shall submit additional documentation evidencing its resident state. As 23 part of the application process, an out-of-state winery shall publish its notice of 24 intent, as required by KRS 243.360, in the Kentucky newspaper of highest 25 circulation. The board shall promulgate administrative regulations establishing the 26 form the documentation of proof of production shall take.
 - (2) A small farm winery license shall authorize the licensee to perform the following

1	funct	tions without having to obtain separate licenses, except that each small farm
2	wine	ry off-premises retail site shall be separately licensed:
3	(a)	Engage in the business of a winery under the terms and conditions of KRS
4		243.120 and 243.130. The manufacture of wine at the small farm winery shall
5		not be less than two hundred fifty (250) gallons, and shall not exceed one
6		hundred thousand (100,000) gallons, in one (1) year;
7	(b)	Bottle wines produced by that small farm winery and other licensed small
8		farm wineries;
9	(c)	Enter into an agreement with another licensed small farm winery under which
10		it crushes, processes, ferments, bottles, or any combination of these services,
11		the grapes, fruits, or other agricultural products of the other small farm winery
12		for a production year. The resulting wine shall be considered the product of
13		the small farm winery that provides the fruit. The small farm winery providing
14		the custom crushing services may exclude the wine produced under this
15		paragraph from its annual production gallonage;
16	(d)	If the licensed small farm winery or off-premises retail site premises is located
17		in wet territory or in a precinct that has authorized alcoholic beverage sales by
18		the small farm winery under KRS 242.124:
19		1. Serve complimentary samples of wine produced by it in amounts not to
20		exceed six (6) ounces per patron per day; and
21		2. Sell by the drink for on-premises consumption or by the package wine
22		produced by it or by another licensed small farm winery, at retail to
23		consumers;
24	(e)	Sell by the drink or by the package, at fairs, festivals, and other similar types
25		of events, wine produced by it or by another licensed small farm winery, at

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retail to consumers if all sales occur in a wet territory;

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(f)

Sell and transport wine produced by it to licensed small farm winery off-

1			premises retail sites, wholesale license holders, and small farm winery license
2			holders;
3		(g)	Consume on the premises wine produced by the small farm winery or a
4			licensed small farm winery and purchased by the drink or by the package at
5			the licensed premises, if the small farm winery is located in wet territory; and
6		(h)	Deliver or ship packages of wine at retail:
7			1. To small farm winery visitors of legal drinking age, in quantities not
8			to exceed four (4) cases per purchaser per day. A winery shall deliver
9			or ship the packages to the purchaser through a licensed common
10			carrier that is authorized to deliver or ship wine in the jurisdiction to
11			which the products will be delivered or shipped; and
12			2. Pursuant to monthly subscription or small farm winery-sponsored
13			club programs, in quantities not to exceed an aggregate of one (1) case
14			per month per calendar year, if the enrollment and payment for the
15			subscription or club is arranged in person at the small farm winery. At
16			the member's request, an order may be delivered or shipped directly to
17			the member. All deliveries or shipments shall be made through a
18			licensed common carrier authorized to deliver or ship wine in the
19			jurisdiction to which the products will be delivered or shipped[to a
20			customer wine produced by a small farm winery if:
21			1. The wine is shipped by licensed common carrier; and
22			2. The amount of wine shipped is limited to two (2) cases per customer per
23			order] .
24	(3)	If the	e requirements of KRS 242.1241 or 244.290(5) relating to Sunday sales on the
25		licen	sed premises of a small farm winery are met, a small farm winery within that
26		terri	tory may sell alcoholic beverages on Sunday only in accordance with this
27		secti	on between the hours of 1 p.m. until the prevailing time for that locality.

l	(4)	A small farm winery license holder may also hold an NQ2 retail drink license or an
2		NQ4 retail malt beverage drink license if:

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- (a) The small farm winery is located in wet territory or in a precinct that has authorized alcoholic beverage sales by the small farm winery under KRS 242.124; and
- 6 (b) The issuance of these licenses is in connection with the establishment and
 7 operation of a restaurant, hotel, inn, bed and breakfast, conference center, or
 8 any similar business enterprise designed to promote viticulture, enology, and
 9 tourism.
- 10 (5) This section shall not exempt the holder of a small farm winery license from the 11 provisions of KRS Chapters 241 to 244, nor from the administrative regulations of 12 the board, nor from regulation by the board at all premises licensed by the small 13 farm winery, except as expressly stated in this section.
- 14 (6) Nothing contained in this section shall exempt a licensed out-of-state winery from obeying the laws of its resident state.
- 16 (7) Upon the approval of the department, a small farm winery license may be renewed 17 after the licensee submits to the department the winery's federal basic permit and 18 proof of its annual wine production.
- 19 (8) An employee of a small farm winery may sample the products produced by that
 20 small farm winery for purposes of education, quality control, and product
 21 development.
- → Section 5. KRS 243.200 is amended to read as follows:
- 23 (1) A transporter's license may be issued as a primary license to a motor carrier 24 authorized to transact business in the Commonwealth by the Transportation Cabinet 25 or the Federal Motor Carrier Safety Administration or to another person engaged in 26 business as a common carrier. A person holding a transporter's license may 27 transport alcoholic beverages to or from the licensed premises of any licensee under

1		this chapter to an individual from a person holding a quota retail package license,
2		a nonquota malt beverage package license, microbrewery, or an in-person
3		purchase from a Kentucky-licensed distillery or small farm winery if both the
4		consignor and consignee in each case are authorized by the law of the states of their
5		residence to sell, purchase, <u>deliver</u> , ship, or receive the alcoholic beverages.
6	(2)	A transporter may deliver or ship directly to consumers over twenty-one (21)
7		years of age in packages clearly marked "Alcoholic Beverages, adult signature
8		(21 years of age or over) required," and shall request adult-signature-only service
9		from the carrier. Deliveries or shipments of alcoholic beverages shall only be
10		made into areas of the state in which alcoholic beverages may be lawfully sold.
11		When the shipper requests adult-signature-only service, it shall be a violation for
12		a common carrier not to inspect government-issued identification for proof of age
13		or to knowingly deliver or ship alcoholic beverages into areas of the state in
14		which alcoholic beverages are not legally sold.
15	<u>(3)</u>	The holder of a transporter's license shall cause each truck or vehicle to display the
16		name of the licensee and the state license numbers in a manner prescribed by an
17		administrative regulation promulgated by the board.
18	<u>(4)</u> [(3)] An application for a transporter's license shall include a statement that the
19		applicant, if issued a license, shall allow any authorized investigators of the
20		department to stop and examine the cargo of any truck or vehicle in which alcoholic
21		beverages are being transported within the boundaries of the Commonwealth of
22		Kentucky.
23	<u>(5)</u> [(4)] Applicants for the transporter's license under this section, and their employees,
24		shall be exempt from the residency requirements of KRS 243.100.
25	<u>(6)</u> [((5)] A licensee may move, within the same county, alcoholic beverages from one
26		(1) of the licensee's licensed premises to another without a transporter's license. A
27		licensee may move alcoholic beverages from one (1) of the licensee's licensed

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1	pren	nises located in one (1) county to a licensed premises located in another county,
2	with	nout a transporter's license, with prior written approval of the administrator for
3	good	d cause shown. The licensee shall keep and maintain, in one (1) of its licensed
4	pren	nises, adequate books and records of the transactions involved in transporting
5	alco	holic beverages from one (1) licensed premises to another in accordance with
6	stan	dards established in administrative regulations promulgated by the board. The
7	reco	ords shall be available to the department and the Department of Revenue upon
8	requ	nest.
9	<u>(7)</u> [(6)]	Distilled spirits and wine may be transported by any licensed retailer selling
10	disti	illed spirits or wine, by the package or by the drink, from the premises of a
11	lice	nsed wholesaler to the licensed premises of the retail licensee. Any retailer
12	trans	sporting alcoholic beverages under this subsection shall do so in a vehicle
13	mar	ked in conformity with administrative regulations of the board. Both the
14	who	elesaler and the retailer engaging in activity under this subsection shall be
15	resp	onsible for maintaining records documenting the transactions.
16	→ S	ection 6. KRS 243.240 is amended to read as follows:
17	<u>(1)</u> A qu	uota retail package license shall authorize the licensee to:
18	<u>(a)</u>	Purchase, receive, possess, and sell distilled spirits and wine at retail in
19		unbroken packages only, and only for consumption off the licensed
20		premises[]; and
21	<u>(b)</u>	Deliver or ship to the customer, at the customer's request, alcoholic
22		beverages that are purchased:
23		1. From the licensed premises; or
24		2. By monthly subscription members or club program members, in
25		quantities not to exceed an aggregate of nine (9) liters per calendar
26		year for distilled spirits, and an aggregate of one (1) case of wine per
27		month per calendar year, if the enrollment and payment for the

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1		subscription or club is arranged in person at the premises.
2	<u>(2)</u>	The licensee shall purchase distilled spirits and wine in retail packages only and
3		only from licensed wholesalers.
4	<u>(3)</u>	All deliveries or shipments made pursuant to this section shall be made through a
5		licensed transporter or licensed common carrier authorized to deliver or ship
6		distilled spirits in the jurisdiction to which the products will be delivered or
7		shipped.
8		→ Section 7. KRS 244.165 is amended to read as follows:
9	(1)	Except as provided in <u>subsections</u> [subsection] (2), (3), and (4) of this section, it
10		shall be unlawful for any person in the business of selling alcoholic beverages in
11		another state or country to <u>deliver or</u> ship or cause to be <u>delivered or</u> shipped any
12		alcoholic beverage directly to any Kentucky resident who does not hold a valid
13		wholesaler or distributor license issued by the Commonwealth of Kentucky.
14	(2)	A <u>winery or</u> small farm winery located in another state may <u>deliver or</u> ship wine to
15		a customer in Kentucky if:
16		(a) The wine <u>or monthly subscription or club program membership</u> is purchased
17		by the customer in person at the winery or small farm winery;
18		(b) The Kentucky purchaser is of legal age;
19		(c) The out-of-state winery or small farm winery is licensed in Kentucky;
20		(d) Either:
21		1. No more than four (4) cases of wine are purchased per day per visit;
22		<u>or</u>
23		2. The wine is purchased pursuant to monthly subscription or small farm
24		winery-sponsored club programs, in quantities not to exceed an
25		aggregate of one (1) case of wine per month per calendar year; and
26		(e) The wine is <u>delivered or</u> shipped <u>through a licensed transporter or licensed</u>
27		common carrier authorized to deliver or ship wine in the jurisdiction in

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1		which the delivery or shipment will occur[by licensed common carrier; and
2		(c) The amount of wine shipped is limited to two (2) cases per customer per
3		visit] .
4	(3)	A distillery located in another state may deliver or ship distilled spirits directly to
5		a customer in Kentucky if:
6		(a) The distilled spirits or monthly subscription or club program membership is
7		purchased by the customer in person at the distillery;
8		(b) The Kentucky purchaser is of legal age;
9		(c) The distillery is licensed in Kentucky;
10		(d) Either:
11		1. No more than nine (9) liters of distilled spirits are purchased per day
12		per visit; or
13		2. The distilled spirits are purchased pursuant to monthly subscription or
14		distillery-sponsored club programs, in quantities not to exceed an
15		aggregate of nine (9) liters of distilled spirits per calendar year; and
16		(e) The distilled spirits are delivered or shipped through a licensed transporter
17		or licensed common carrier authorized to deliver or ship distilled spirits in
18		the jurisdiction in which the delivery or shipment will occur.
19	<u>(4)</u>	A licensed transporter or common carrier making deliveries or shipments
20		pursuant to this section shall deliver or ship directly to consumers over twenty-
21		one (21) years of age in packages clearly marked "Alcoholic Beverages, adult
22		signature (21 years of age or over) required," and shall request adult-signature-
23		only service from the carrier. Deliveries or shipments of alcoholic beverages shall
24		only be made into areas of the state in which alcoholic beverages may be lawfully
25		sold. When the shipper requests adult-signature-only service, it shall be a
26		violation for a common carrier not to inspect government-issued identification
27		for proof of age or to knowingly deliver or ship alcoholic beverages into areas of

1		the s	state in which alcoholic beverages are not legally sold.				
2	<u>(6)</u>	Noti	hing contained in this section shall exempt a licensed out-of-state alcoholic				
3		<u>beve</u>	erage producer from obeying the laws of its resident state.				
4	<u>(7)</u>	Any	person who violates subsection (1) of this section shall, for the first offense, be				
5		mail	led a certified letter by the department ordering that person to cease and desist				
6		any	any <u>deliveries or</u> shipments of alcoholic beverages to Kentucky residents, and for				
7		the s	the second and each subsequent offense, be guilty of a Class D felony.				
8		→ S	→ Section 8. KRS 244.240 is amended to read as follows:				
9	(1)	No distiller, rectifier, winery, or wholesaler and no employee, servant, or agent of a					
10		distiller, rectifier, winery, or wholesaler shall:					
11		(a)	Except as provided in Sections 1 and 4 of this Act, be interested directly or				
12			indirectly in any way in any premises where distilled spirits or wine is sold at				
13			retail or in any business devoted wholly or partially to the sale of distilled				
14			spirits or wine at retail;				
15		(b)	Make or cause to be made any loan to any person engaged in the manufacture				
16			or sale of distilled spirits or wine at wholesale or retail;				
17		(c)	Make any gift or render any kind of service whatsoever, directly or indirectly,				
18			to any licensee that may tend to influence the licensee to purchase the product				
19			of the distiller, rectifier, winery, or wholesaler; or				
20		(d)	Enter into a contract with any retail licensee under which the licensee agrees				
21			to confine the licensee's sales to distilled spirits or wine manufactured or sold				
22			by one (1) or more distillers, rectifiers, wineries, or wholesalers. This type of				
23			contract shall be void.				
24	(2)	Notl	hing in this section shall prohibit the giving of discounts in the usual course of				
25		business if the same discounts are offered to all licensees holding the same license					
26		type buying similar quantities.					
27	(3)	A re	stailer shall not require or demand that a distiller, rectifier, winery, or wholesaler				

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1	violate	this	section.

- Section 9. KRS 242.260 is amended to read as follows:
- 3 (1) It shall be unlawful for any person for public or private carrier to bring into,
- 4 transfer to another, deliver, or distribute in any dry or moist territory, except as
- 5 provided in subsection (2) of this section, any alcoholic beverage, regardless of its
- 6 name. Each package of such beverage so brought, transferred, or delivered in such
- 7 territory shall constitute a separate offense. Nothing in this section shall be
- 8 construed to prevent any distiller or manufacturer or any authorized agent of a
- 9 distiller, manufacturer, or wholesale dealer from transporting or causing to be
- transported by a licensed carrier any alcoholic beverage to their distilleries,
- breweries, wineries, or warehouses where the sale of such beverage may be lawful,
- either in or out of the state.
- 13 (2) Subsection (1) of this section shall also apply to any moist territory unless the sale
- of the alcoholic beverage in question has been specifically authorized in that moist
- territory under a limited local option election.
- 16 (3) No properly licensed common carrier or any of its employees acting on behalf of
- 17 a consignor shall be liable for a violation of this section.
- 18 (4) Proof that the purchaser represented in writing that the delivery address is
- 19 <u>located in wet territory shall be an absolute defense to a violation of this section</u>
- 20 on behalf of a retailer, winery, small farm winery, or distillery in connection with
- 21 the delivery or shipment of alcoholic beverages purchased at retail.
- **→** Section 10. KRS 242.270 is amended to read as follows:
- 23 (1) No person shall sell or deliver any alcoholic beverages that are to be paid for on
- 24 delivery, in dry territory.
- 25 (2) Such transactions shall be deemed sales at the place where the money is paid or the
- 26 goods delivered.
- 27 (3) This section shall also apply to the sale or delivery of any alcoholic beverages that

1	are to be paid for on delivery in moist territory unless the sale of the alcoholic
2	beverage in question has been specifically authorized in that moist territory under a
3	limited local option election.
4	(4) No properly licensed common carrier or any of its employees acting on behalf of
5	a consignor shall be liable for a violation of this section.
6	(5) Proof that the purchaser represented in writing that the delivery address is
7	located in wet territory shall be an absolute defense to a violation of this section
8	on behalf of a retailer, winery, small farm winery, or distillery in connection with
9	the delivery or shipment of alcoholic beverages purchased at retail.
10	→ Section 11. If any provision of this Act or the application thereof to any person
11	or circumstance is held invalid, the invalidity shall not affect other provisions or
12	applications of the Act that can be given effect without the invalid provision or
13	application, and to this end the provisions of this Act are severable.
14	→ Section 12. Whereas issues exist in statutes regarding the ability to deliver
15	alcoholic beverages to consumers, those issues are a hindrance to commerce, and
16	consumers may find themselves subject to needless prosecution if these are not corrected
17	immediately, an emergency is declared to exist, and this Act takes effect upon its passage
18	and approval by the Governor or upon its otherwise becoming a law.