

1 AN ACT relating to retail food establishment wine and distilled spirits licenses.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) Notwithstanding KRS 243.230(5), the department may issue a retail food*
6 *establishment wine and distilled spirits license, which shall authorize its holder to*
7 *purchase, receive, possess, and sell wine and distilled spirits at retail for*
8 *consumption off the licensed premises only. The license shall be a nonquota*
9 *license. The holder of the license shall:*

10 *(a) Only purchase wine and distilled spirits from a licensee who is authorized to*
11 *sell the wine and distilled spirits under KRS Chapters 241 to 244; and*

12 *(b) Be subject to the provisions that apply to a quota retail package license*
13 *under KRS Chapters 241 to 244, except as otherwise provided.*

14 *(2) A retail food establishment wine and distilled spirits license may be issued to an*
15 *applicant that is an owner or lessee of a retail food store or combination retail*
16 *food store and food service establishment that holds a permit pursuant to KRS*
17 *217.125(3), subject to the following conditions:*

18 *(a) The total square footage of the retail food store or combination retail food*
19 *store and food service establishment shall be at least ten thousand (10,000)*
20 *square feet; and*

21 *(b) The retail food store or combination retail food store and food service*
22 *establishment shall maintain a minimum inventory of twenty thousand*
23 *dollars (\$20,000) in fresh meat, fresh produce, frozen food, dairy products,*
24 *or a combination of those items.*

25 *(3) A retail food establishment wine and distilled spirits license shall not be deemed*
26 *incompatible with a nonquota retail malt beverage package license.*

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

1 The following licenses that authorize traffic in distilled spirits and wine may be issued by
 2 the distilled spirits administrator. Licenses that authorize traffic in all alcoholic beverages
 3 may be issued by both the distilled spirits administrator and malt beverages administrator.
 4 The licenses and their accompanying fees are as follows:

- 5 (1) Distiller's license:
 - 6 (a) Class A, per annum\$3,090.00
 - 7 (b) Class B (craft distillery), per annum\$1,000.00
- 8 (2) Rectifier's license:
 - 9 (a) Class A, per annum\$2,580.00
 - 10 (b) Class B (craft rectifier), per annum\$825.00
- 11 (3) Winery license, per annum\$1,030.00
- 12 (4) Small farm winery license, per annum\$110.00
 - 13 (a) Small farm winery off-premises retail license, per annum\$30.00
- 14 (5) Wholesaler's license, per annum\$2,060.00
- 15 (6) Quota retail package license, per annum.....\$570.00
- 16 (7) Quota retail drink license, per annum\$620.00
- 17 (8) Transporter's license, per annum\$210.00
- 18 (9) Special nonbeverage alcohol license, per annum\$60.00
- 19 (10) Special agent's or solicitor's license, per annum\$30.00
- 20 (11) Bottling house or bottling house storage license,
 21 per annum\$1,030.00
- 22 (12) Special temporary license, per event\$100.00
- 23 (13) Special Sunday retail drink license, per annum \$520.00
- 24 (14) Caterer's license, per annum \$830.00
- 25 (15) Special temporary alcoholic beverage
 26 auction license, per event\$100.00
- 27 (16) Extended hours supplemental license, per annum\$2,060.00

- 1 (17) Hotel in-room license, per annum\$210.00
- 2 (18) Air transporter license, per annum\$520.00
- 3 (19) Sampling license, per annum\$110.00
- 4 (20) Replacement or duplicate license\$25.00
- 5 (21) Entertainment destination center license:
- 6 (a) When the licensee is a city, county, urban-county government, consolidated
- 7 local government, charter county government, or unified
- 8 local government, per annum\$2,577.00
- 9 (b) All other licensees, per annum\$7,730.00
- 10 (22) Limited restaurant license, per annum \$780.00
- 11 (23) Limited golf course license, per annum\$720.00
- 12 (24) Small farm winery wholesaler's license, per annum\$110.00
- 13 (25) Qualified historic site license, per annum\$1,030.00
- 14 (26) Nonquota type 1 license, per annum\$4,120.00
- 15 (27) Nonquota type 2 license, per annum\$830.00
- 16 (28) Nonquota type 3 license, per annum\$310.00
- 17 (29) Distilled spirits and wine storage license, per annum\$620.00
- 18 (30) Out-of-state distilled spirits and wine supplier's license,
- 19 per annum\$1, 550.00
- 20 (31) Limited out-of-state distilled spirits and
- 21 wine supplier's license, per annum\$260.00
- 22 (32) Authorized public consumption license, per annum.....\$250.00
- 23 (33) Direct shipper license, per annum.....\$100.00
- 24 (34) **Retail food establishment wine and distilled spirits license, per annum\$500.00**
- 25 **(35)** A nonrefundable fee of sixty dollars (\$60) shall be charged to process each new
- 26 transitional license pursuant to KRS 243.045.
- 27 **(36)**~~(35)~~ Other special licenses the board finds necessary for the proper regulation and

1 control of the traffic in distilled spirits and wine and provides for by administrative
 2 regulation. In establishing the amount of license taxes that are required to be fixed
 3 by the board, it shall have regard for the value of the privilege granted.

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

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

12 ➔Section 3. KRS 243.0307 is amended to read as follows:

13 (1) A sampling license may be issued to the holder of:

- 14 (a) A quota retail drink license;
- 15 (b) A quota retail package license;
- 16 (c) A nonquota retail malt beverage package license;
- 17 (d) An NQ1 license;
- 18 (e) An NQ2 license;
- 19 (f) An NQ4 retail malt beverage drink license;~~[-or]~~
- 20 (g) A distiller's license; **or**

21 **(h) A retail food establishment wine and distilled spirits license.**

22 (2) A sampling license shall authorize the licensee to allow customers to sample, free of
 23 charge, distilled spirits, wine, and malt beverages under the following conditions:

- 24 (a) Sampling shall be permitted only on licensed premises and by licensees
 25 holding a sampling license, during regular business hours;
- 26 (b) A distillery shall provide samples as authorized by KRS 243.0305;
- 27 (c) All other licensees shall limit a customer to:

- 1 1. One (1) ounce of distilled spirits samples per day;
- 2 2. Six (6) ounces of wine samples per day; or
- 3 3. Twelve (12) ounces of malt beverage samples per day;~~and~~
- 4 (d) A brewer, microbrewery, or out-of-state malt beverage supplier may conduct a
- 5 sampling of malt beverages as permitted by this section at the licensed
- 6 premises of a retailer licensee holding a sampling license;and
- 7 (e) A retail food establishment wine and distilled spirits license holder shall
- 8 only allow customers to sample distilled spirits and wine under that license,
- 9 with the quantity restrictions established by paragraph (c) of this
- 10 subsection.
- 11 (3) Retailers holding a sampling license shall:
 - 12 (a) Notify the Department of Alcoholic Beverage Control at least seven (7) days
 - 13 in advance of conducting a free sampling event; and
 - 14 (b) Limit a sampling event to a period not to exceed four (4) consecutive hours
 - 15 between 12 noon and 8 p.m.
- 16 (4) In addition to free sampling, a quota retail package licensee holding a sampling
- 17 license may also sell sample distilled spirits and wine under the following
- 18 conditions:
 - 19 (a) Paid samples may be sold only on licensed premises and by licensees holding
 - 20 a sampling license, during regular business hours; and
 - 21 (b) A licensee shall limit a customer to purchased samples totaling no more than:
 - 22 1. Two (2) ounces of distilled spirits per day; and
 - 23 2. Nine (9) ounces of wine per day.
- 24 (5) A quota retail package licensee holding both a sampling license and a nonquota
- 25 retail malt beverage package license may also sell samples of malt beverages under
- 26 the following conditions:
 - 27 (a) Paid samples may be sold only on licensed premises and by licensees holding

- 1 a sampling license, during regular business hours;
- 2 (b) A licensee shall limit a customer to no more than sixteen (16) ounces of malt
- 3 beverages per day; and
- 4 (c) The retail price of a sample shall not be less than a licensee's purchase cost of
- 5 the sample.

6 (6) No customer shall be allowed to receive a combination of free and purchased
7 samples totaling more than:

- 8 (a) Two (2) ounces of distilled spirits per day; and
- 9 (b) Nine (9) ounces of wine per day.

10 (7) Free and paid samples provided under this section shall not constitute drink sales.

11 ➔Section 4. KRS 243.060 is amended to read as follows:

12 (1) The fiscal court of any county or a consolidated local government in which traffic in
13 alcoholic beverages is permitted under KRS Chapter 242 may only issue the
14 following alcoholic beverage licenses and corresponding maximum fees. The
15 license fees are subject to the provisions of subsections (2) to (4) of this section, and
16 shall not exceed the following:

17 (a) Quota retail package license, per annum:

- 18 1. In counties containing a consolidated local government.....\$1,200.00
- 19 2. In all other counties\$1,000.00

20 (b) Quota retail drink license, per annum:

- 21 1. In counties containing a consolidated local government.....\$1,600.00
- 22 2. In all other counties\$1,000.00

23 (c) Nonquota type 2 retail drink license, per annum:

- 24 1. In counties containing a consolidated local government.....\$1,800.00
- 25 2. In all other counties....\$1,000.00

26 (d) Nonquota type 3 retail drink license, per
27 annum.....\$300.00

- 1 (e) Special temporary license, per event:
 - 2 1. In counties containing a consolidated local government\$266.66
 - 3 2. In all other counties\$166.66
- 4 (f) Special Sunday retail drink license, per annum\$300.00
- 5 (g) Nonquota retail malt beverage package license, per annum.....\$400.00
- 6 (h) Nonquota type 4 retail malt beverage drink license, per annum.....\$400.00
- 7 (i) Limited restaurant license, per annum:
 - 8 1. In counties containing a consolidated local government.....\$2,000.00
 - 9 2. In all other counties.....\$1,400.00
- 10 (j) Limited golf course license, per annum:
 - 11 1. In counties containing a consolidated local government.....\$2,000.00
 - 12 2. In all other counties.....\$1,400.00
- 13 (k) Authorized public consumption license, per annum.....\$250.00
- 14 (l) Qualified historic site license, per annum.....\$1,030.00
- 15 **(m) Retail food establishment wine and distilled spirits license,**
- 16 **per annum\$500.00**

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

- 22 (a) Quota retail package license: retail package liquor license;
- 23 (b) Quota retail drink license: retail drink license;
- 24 (c) Nonquota type 2 retail drink license: restaurant drink license;
- 25 (d) Nonquota retail malt beverage package license: retail malt beverage license;
- 26 (e) Nonquota type 4 retail malt beverage drink license: retail malt beverage
- 27 license;

1 (f) Limited restaurant license; and

2 (g) Limited golf course license.

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

6 (4) The holder of a nonquota retail malt beverage package license may obtain a
7 Nonquota type 4 malt beverage drink license for a fee of fifty dollars (\$50). The
8 holder of a Nonquota type 4 malt beverage drink license may obtain a nonquota
9 retail malt beverage package license for a fee of fifty dollars (\$50).

10 (5) A county shall not issue county licenses or impose fees under this section to any
11 person who holds a city license issued under KRS 243.070.

12 ➔Section 5. KRS 243.070 is amended to read as follows:

13 (1) The legislative body of any city or a consolidated local government in which traffic
14 in alcoholic beverages is permitted under KRS Chapter 242 may only issue the
15 following alcoholic beverage licenses and corresponding maximum fees. The
16 license fees are subject to the provisions of subsections (2), (3), and (4) of this
17 section, and shall not exceed the amounts specified in this subsection:

18 (a) Distiller's license, per annum\$500.00

19 (b) Rectifier's license:

20 1. Class A, per annum\$3,000.00

21 2. Class B (craft rectifier), per annum\$960.00

22 (c) Wholesaler's distilled spirits and wine license, per annum\$3,000.00

23 (d) Quota retail package license, per annum:

24 1. In counties containing a consolidated local government\$1,200.00

25 2. In all other counties\$1,000.00

26 (e) Quota retail drink license, per annum:

27 1. In counties containing a consolidated local government\$1,600.00

1	2.	In all other counties	\$1,000.00
2	(f)	Special temporary license, per event:	
3	1.	In counties containing a consolidated local government	\$266.66
4	2.	In all other counties	\$166.66
5	(g)	Nonquota type 1 retail drink license, per annum	\$2,000.00
6	(h)	Nonquota type 2 retail drink license, per annum:	
7	1.	In counties containing a consolidated local government	\$1,800.00
8	2.	In all other counties	\$1,000.00
9	(i)	Nonquota type 3 retail drink license, per annum	\$300.00
10	(j)	Special temporary alcoholic beverage	
11		auction license, per event	\$100.00
12	(k)	Special Sunday retail drink license, per annum	\$300.00
13	(l)	Extended hours supplemental license, per annum	\$2,000.00
14	(m)	Caterer's license, per annum	\$800.00
15	(n)	Bottling house or bottling house storage license, per annum	\$1,000.00
16	(o)	Brewer's license, per annum	\$500.00
17	(p)	Microbrewery license, per annum	\$500.00
18	(q)	Malt beverage distributor's license, per annum	\$400.00
19	(r)	Nonquota retail malt beverage package license, per annum	\$200.00
20	(s)	Nonquota type 4 retail malt beverage drink license, per annum.....	\$200.00
21	(t)	Limited restaurant license, per annum:	
22	1.	In counties containing a consolidated local government	\$1,800.00
23	2.	In all other counties	\$1,200.00
24	(u)	Limited golf course license, per annum:	
25	1.	In counties containing a consolidated local government	\$1,800.00
26	2.	In all other counties	\$1,200.00
27	(v)	Authorized public consumption license, per annum.....	\$250.00

1 (w) Qualified historic site license, per annum.....\$1,030.00

2 (x) Retail food establishment wine and distilled spirits license,

3 per annum\$500.00

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

9 (a) Quota retail package license: retail package liquor license;

10 (b) Quota retail drink license: retail drink license;

11 (c) Nonquota type 1 retail drink license: convention center or convention hotel
12 complex license;

13 (d) Nonquota type 2 retail drink license: restaurant drink license;

14 (e) Nonquota retail malt beverage package license: retail malt beverage license;

15 (f) Nonquota type 4 retail malt beverage drink license: retail malt beverage
16 license;

17 (g) Limited restaurant license; and

18 (h) Limited golf course license.

19 (3) The fee for each of the first five (5) supplemental bar licenses shall be the same as
20 the fee for the primary drink license. There shall be no charge for each supplemental
21 license issued in excess of five (5) to the same licensee at the same premises.

22 (4) The holder of a nonquota retail malt beverage package license may obtain a
23 Nonquota type 4 malt beverage drink license for a fee of fifty dollars (\$50). The
24 holder of a Nonquota type 4 malt beverage drink license may obtain a nonquota
25 retail malt beverage package license for a fee of fifty dollars (\$50).