

1 AN ACT relating to the regulation of cannabis-infused beverages and declaring an  
2 emergency.

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

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

6 *(1) The holder of a cannabis-infused beverage retail package license or a cannabis-*  
7 *infused beverage distributor's license may, in wet territory:*

8 *(a) Sell and serve cannabis-infused beverages to consumers at bars,*  
9 *restaurants, fairs, and festivals; and*

10 *(b) With a sampling license, serve complimentary samples of cannabis-infused*  
11 *beverages to consumers on licensed premises and at bars, restaurants, fairs,*  
12 *and festivals, not to exceed twelve (12) ounces per person, per day.*

13 *(2) The holder of a cannabis-infused beverage manufacturer license approved by the*  
14 *Department for Public Health may, if located in wet territory:*

15 *(a) Sell and serve cannabis-infused beverages to consumers at fairs and*  
16 *festivals;*

17 *(b) Sell and serve cannabis-infused beverages to consumers by the drink and by*  
18 *the package on licensed premises; and*

19 *(c) With a sampling license, serve complimentary samples of cannabis-infused*  
20 *beverages on licensed premises, not to exceed twelve (12) ounces per person,*  
21 *per day.*

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

24 *(1) The department may issue a nonquota cannabis-infused beverage drink license*  
25 *or nonquota retail cannabis-infused beverage package license as a supplemental*  
26 *license as set forth in this section.*

27 *(2) (a) A nonquota cannabis-infused beverage drink license may be issued by the*

1 department as a supplemental license for a retail drink licensee listed in  
2 paragraph (b) of this subsection, if the licensed premises is located within:

3 1. A wet territory; or

4 2. Any precinct that has authorized the sale of alcoholic beverages under  
5 KRS 242.1242.

6 (b) A nonquota cannabis-infused beverage drink license shall authorize the  
7 licensee to sell cannabis-infused beverages by the drink by a retailer that  
8 holds:

9 1. An NO1 retail drink license;

10 2. An NO2 retail drink license;

11 3. An NO3 retail drink license; or

12 4. A cannabis-infused beverage manufacturer license approved by the  
13 Department for Public Health.

14 (3) (a) A nonquota retail cannabis-infused beverage package license may be issued  
15 by the department as a supplemental license to a retailer that holds:

16 1. A nonquota retail malt beverage package license;

17 2. An NO4 retail malt beverage drink license; or

18 3. A license to operate a hemp retail establishment issued by the Cabinet  
19 for Health and Family Services;

20 if the retailer meets the criteria in subsection (2)(a) of this section.

21 (b) A nonquota retail cannabis-infused beverage package license shall  
22 authorize the licensee to sell cannabis-infused drinks by the package at  
23 grocery stores, convenience stores, and hemp retail establishments.

24 (4) The holder of a license identified in subsection (2) of this section may obtain a  
25 nonquota retail cannabis-infused beverage package license from the department.

26 (5) The holder of a nonquota retail cannabis-infused beverage package license may  
27 obtain a nonquota cannabis-infused beverage drink license.

1 **(6) The following licensees may serve cannabis-infused beverages by the drink for**  
 2 **consumption on the premises after obtaining a nonquota retail cannabis-infused**  
 3 **beverage supplemental license issued by the department:**

4 **(a) Special temporary license;**

5 **(b) Special Sunday retail drink license;**

6 **(c) Caterer's license;**

7 **(d) Hotel in-room license;**

8 **(e) Entertainment destination center license;**

9 **(f) Limited restaurant license;**

10 **(g) Limited golf course license; and**

11 **(h) Qualified historic site license.**

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;

21 **(h) A cannabis-infused beverage retail package license;**

22 **(i) A cannabis-infused beverage distributor's license; or**

23 **(j) A cannabis-infused beverage manufacturer's license approved by the**  
 24 **Department for Public Health.**

25 (2) A sampling license shall authorize the licensee to allow customers to sample, free  
 26 of charge, distilled spirits, wine,~~and~~ malt beverages, **and cannabis-infused**  
 27 **beverages** under the following conditions:

- 1 (a) **Except as provided in Section 1 of this Act**, sampling shall be permitted only  
2 on licensed premises and by licensees holding a sampling license, during  
3 regular business hours;
- 4 (b) A distillery shall provide samples as authorized by KRS 243.0305;
- 5 (c) All other licensees shall limit a customer to:
- 6 1. One (1) ounce of distilled spirits samples per day;
- 7 2. Six (6) ounces of wine samples per day;~~[- or]~~
- 8 3. Twelve (12) ounces of malt beverage samples per day; **or**
- 9 **4. Twelve (12) ounces of cannabis-infused beverage samples per day**; and
- 10 (d) A brewer, microbrewery, or out-of-state malt beverage supplier may conduct  
11 a sampling of malt beverages as permitted by this section at the licensed  
12 premises of a retailer licensee holding a sampling license.
- 13 (3) Retailers holding a sampling license shall:
- 14 (a) Notify the Department of Alcoholic Beverage Control at least seven (7) days  
15 in advance of conducting a free sampling event; and
- 16 (b) Limit a sampling event to a period not to exceed four (4) consecutive hours  
17 between 12 noon and 8 p.m.
- 18 (4) In addition to free sampling, a quota retail package licensee holding a sampling  
19 license may also sell sample distilled spirits and wine under the following  
20 conditions:
- 21 (a) Paid samples may be sold only on licensed premises and by licensees holding  
22 a sampling license, during regular business hours; and
- 23 (b) A licensee shall limit a customer to purchased samples totaling no more than:
- 24 1. Two (2) ounces of distilled spirits per day; and
- 25 2. Nine (9) ounces of wine per day.
- 26 (5) A quota retail package licensee holding both a sampling license and a nonquota  
27 retail malt beverage package license may also sell samples of malt beverages under

1 the following conditions:

2 (a) Paid samples may be sold only on licensed premises and by licensees holding  
3 a sampling license, during regular business hours;

4 (b) A licensee shall limit a customer to no more than sixteen (16) ounces of malt  
5 beverages per day; and

6 (c) The retail price of a sample shall not be less than a licensee's purchase cost of  
7 the sample.

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

10 (a) Two (2) ounces of distilled spirits per day; and

11 (b) Nine (9) ounces of wine per day.

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

13 ➔Section 4. KRS 243.401 is amended to read as follows:

14 (1) (a) The distribution and retail sale of cannabis-infused beverages shall be  
15 regulated solely by the Department of Alcoholic Beverage Control. The  
16 department shall adopt and exclusively enforce the administrative regulations  
17 of the Department for Public Health relating to the distribution and retail sale  
18 of cannabis-infused beverages until such time as the Department of Alcoholic  
19 Beverage Control promulgates its own administrative regulations on the  
20 subject on or before July 1, 2026, including the establishment of fees to issue  
21 a:

22 1. Nonquota cannabis-infused beverage drink license;

23 2. Nonquota retail cannabis-infused beverage package license; and

24 3. Nonquota retail cannabis-infused beverage supplemental license.

25 (b) The distribution and retail sale of packaged cannabis-infused beverages shall  
26 be regulated by the department. On or before July 1, 2026, the department  
27 shall promulgate administrative regulations in accordance with KRS Chapter

1 13A to establish the rules and procedures for this distribution and retail sale.

2 (c) A local administrator shall only have authority over the distribution and retail  
3 sale of cannabis-infused beverages in its territory to the extent expressly  
4 authorized by KRS Chapters 241 to 244.

5 (2) **Except as provided in Section 1 of this Act,** cannabis-infused beverages shall only  
6 be available for retail sale:

7 (a) **By the drink;**

8 (b) By the package;

9 (c)~~(b)~~ In wet territory; and

10 (d)~~(c)~~ By the holder of ~~both~~ a:

11 **1. Quota retail package license;**~~and~~

12 **2. ~~A~~Cannabis-infused beverage retail package license;**

13 **3. Cannabis-infused beverage manufacturer license approved by the**  
14 **Department for Public Health;**

15 **4. Nonquota cannabis-infused beverage drink license; or**

16 **5. Nonquota retail cannabis-infused beverage package license.**

17 (3) A person under twenty-one (21) years of age shall not purchase or consume  
18 cannabis-infused beverages. All restrictions and offenses related to minors and  
19 alcoholic beverages in KRS Chapters 241 to 244 shall also apply in the same  
20 manner to minors and cannabis-infused beverages.

21 (4) If approved as a cannabis-infused beverage manufacturer by the Department for  
22 Public Health, that manufacturer may:

23 (a) Self-distribute cannabis-infused beverages in the same manner as distilled  
24 spirits; and

25 (b) Ship cannabis-infused beverages under a direct shipper license in the same  
26 manner that a direct shipper license allows the shipment of alcoholic  
27 beverages. A direct shipper licensee may sell or ship to a consumer all types

1 of alcoholic beverages and cannabis-infused beverages that the licensee is  
2 authorized to sell.

3 (5) Cannabis-infused beverages may be shipped and delivered in the same manner as  
4 alcoholic beverages.

5 ➔Section 5. KRS 243.028 is amended to read as follows:

6 (1) A direct shipper licensee may sell or ship to a consumer all types of alcoholic  
7 beverages or cannabis-infused beverages that the licensee is authorized to sell, with  
8 the following aggregate limits:

9 (a) Distilled spirits, in quantities not to exceed ten (10) liters per consumer per  
10 month;

11 (b) Wine, in quantities not to exceed ten (10) cases per consumer per month;

12 (c) Malt beverages, in quantities not to exceed ten (10) cases per consumer per  
13 month; and

14 (d) Cannabis-infused beverages, in quantities not to exceed ten (10) cases per  
15 customer per month.

16 (2) The direct shipper licensee shall notify the consumer placing the order that the  
17 shipment shall not be left unless the recipient of the shipment provides a valid  
18 identification document at the time verifying that the recipient is at least twenty-one  
19 (21) years of age. All beverage containers shipped to the consumer shall be  
20 conspicuously labeled with the words **"ADULT USE ONLY: ID CHECK OF**  
21 **PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"**~~["CONTAINS~~  
22 ~~ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR~~  
23 ~~DELIVERY" or "CONTAINS CANNABIS INFUSED BEVERAGES:~~  
24 ~~SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY",~~  
25 ~~as appropriate for each shipment].~~

26 (3) At the time of delivery, the recipient of the shipment shall present to the individual  
27 delivering the package a valid identification document. Prior to transferring

1 possession of the package, the individual delivering the package shall visually  
2 inspect the document and verify the identity of the recipient and, by visual  
3 examination or by using age verification technology, that the recipient is at least  
4 twenty-one (21) years of age.

5 (4) Before transferring possession of the package, the individual delivering the package  
6 shall obtain the signature of the recipient of the shipment. The individual who  
7 receives and signs for the beverages is not required to be the consumer who  
8 purchased the beverages.

9 (5) A consumer who intentionally causes shipment to an address deemed unlawful  
10 shall, for the first offense, be guilty of a violation punishable by a fine of two  
11 hundred fifty dollars (\$250), and for each subsequent offense, be guilty of a  
12 violation punishable by a fine of five hundred dollars (\$500). In this instance, the  
13 direct shipper licensee and the common carrier shall be held harmless.

14 (6) A direct shipper licensee may not sell or ship beverages to a consumer from its  
15 licensed premises if the consumer's address is located in an area in which that type  
16 of beverages may not be sold or received.

17 (7) Shipments made pursuant to this section shall be made through a common carrier.

18 (8) If a common carrier is unable to complete delivery, then the beverages shall be  
19 returned to the consignor.

20 ➔Section 6. KRS 189.530 is amended to read as follows:

21 (1) No person shall provide a motor vehicle to another to operate upon a highway,  
22 knowing that the other person is in an intoxicated condition, or under the influence  
23 of any substance which may impair one's driving ability.

24 (2) A person is guilty of possession of an open alcoholic beverage container in a motor  
25 vehicle, when he or she has in his or her possession an open alcoholic beverage  
26 container in the passenger area of a motor vehicle located on a public highway or  
27 on the right-of-way of a public highway. However, nothing in this section shall

1 prohibit the possession of an open alcoholic beverage container by an individual  
2 who is strictly a passenger and not the driver, in the passenger area of a motor  
3 vehicle maintained or used primarily for the transportation of persons for  
4 compensation, such as buses, taxis, and limousines, or in a recreational vehicle,  
5 motor home, or motor coach.

6 (3) **A person is guilty of possession of an open cannabis-infused beverage container**  
7 **in a motor vehicle, when he or she has in his or her possession an open cannabis-**  
8 **infused beverage container in the passenger area of a motor vehicle located on a**  
9 **public highway or on the right-of-way of a public highway.**

10 (4) For purposes of this section, "alcoholic beverage" means:

- 11 (a) Beer, ale, porter, stout, and other similar fermented beverages including sake  
12 or similar products of any name or description containing one-half of one  
13 percent (0.5%) or more of alcohol by volume, brewed or produced from malt,  
14 wholly or in part, or from any substitute therefor;
- 15 (b) Wine of not less than one-half of one percent (0.5%) of alcohol by volume; or
- 16 (c) Distilled spirits which is that substance known as ethyl alcohol, ethanol, or  
17 spirits of wine in any form including all dilutions and mixtures thereof from  
18 whatever source or by whatever process produced.

19 (5)~~(4)~~ For the purposes of this section, "open alcoholic beverage container" means  
20 any bottle, can, or other receptacle that contains any amount of alcoholic beverage,  
21 and:

- 22 (a) Is open or has a broken seal; or
- 23 (b) The contents of which are partially removed.

24 (6)~~(5)~~ **For the purposes of this section, "open cannabis-infused beverage**  
25 **container" means any bottle, can, or other receptacle that contains any amount**  
26 **of cannabis-infused beverage and:**

27 **(a) Is open or has a broken seal; or**

1       **(b) The contents of which are partially removed.**

2       **(7)** For the purposes of this section, "passenger area" means the area designed to seat  
3       the driver and the passengers while the motor vehicle is in operation and any area  
4       that is readily accessible to the driver or a passenger while in their seating positions,  
5       including the glove compartment. Passenger area does not include possession of an  
6       open alcoholic beverage container **or an open cannabis-infused beverage**  
7       **container** in a locked glove compartment, or behind the last upright seat or in an  
8       area not normally occupied by the driver or a passenger in a motor vehicle that is  
9       not equipped with a trunk.

10       **(8)**~~**(6)**~~ For the purpose of this section, "public highway" or "right-of-way of a public  
11       highway" means the entire width between and immediately adjacent to the  
12       boundary lines of every way publicly maintained when any part thereof is open to  
13       the use of the public for purposes of vehicular travel.

14       **(9)**~~**(7)**~~ No person shall, as a result of a single course of conduct, be tried for or  
15       convicted of a violation of this section and a violation of KRS 222.202 or 525.100.  
16       The attorney for the Commonwealth shall elect under which statute to proceed. A  
17       conviction, decision not to prosecute, or dismissal of charges under any of these  
18       statutes shall operate as a bar to prosecution under any other of these statutes for  
19       offenses arising out of the same course of conduct.

20       ➔Section 7. KRS 243.081 is amended to read as follows:

21       (1) If authorized under its licensing statute, a license holder with the privilege of selling  
22       alcoholic beverages by the drink at retail shall be permitted to sell alcoholic  
23       beverages by the drink in a sealed container, and by the package in sealed original  
24       containers, on a delivery, to-go, or take-out basis, as follows:

25       (a) The sale of alcoholic beverages pursuant to this section shall be in conjunction  
26       with the purchase of a prepared meal and only in quantities that a reasonable  
27       person would purchase with a meal;

- 1 (b) Deliveries, if applicable, shall be made in a vehicle operated and owned by  
2 the licensee, the licensee's employee, or an independent contractor or agent;  
3 and
- 4 (c) Any person delivering alcoholic beverages shall be at least twenty-one (21)  
5 years of age.
- 6 (2) All licensees and their employees and independent contractors are prohibited from:
- 7 (a) Selling alcohol in bulk quantities;
- 8 (b) Completing sales in dry territories; or
- 9 (c) Delivering:
- 10 1. Into dry territory;
- 11 2. To a minor under twenty-one (21) years of age; or
- 12 3. To an intoxicated person.
- 13 (3) (a) For purposes of this section, alcoholic drinks to go shall be:
- 14 1. Placed in a bag or other container that is secured in a manner that makes  
15 it visibly apparent if the container has been subsequently opened or  
16 tampered with; and
- 17 2. Transported in a locked glove compartment or the trunk or other area  
18 that is not a passenger area under KRS 189.530~~[(5)]~~.
- 19 (b) The department may, but is not required to, promulgate an administrative  
20 regulation that sets forth the:
- 21 1. Conditions under which sales may take place;
- 22 2. Days and times that sales may take place; and
- 23 3. The requirements for transportation of alcoholic drinks to go under this  
24 section.
- 25 (4) For purposes of this section, vehicles used for deliveries shall be exempt from  
26 displaying the name and license number of the retail licensee selling the alcoholic  
27 beverages being delivered.

1 (5) Except as provided in this section, sales of alcoholic beverages shall be subject to  
2 all of the statutes and administrative regulations relating to the retail sale of  
3 alcoholic beverages.

4 ➔Section 8. KRS 243.117 is amended to read as follows:

5 If a patron removes a resealed bottle of wine from the premises of a restaurant as  
6 provided for in KRS 243.115, any resealed bottle of wine that is transported in a motor  
7 vehicle shall be placed in a locked glove compartment or the trunk or other area that is  
8 not a passenger area under KRS 189.530~~[(5)]~~.

9 ➔Section 9. KRS 243.033 is amended to read as follows:

10 (1) A caterer's license may be issued as a supplementary license to a caterer that holds a  
11 quota retail package license, a quota retail drink license, an NQ1 license, an NQ2  
12 license, or a limited restaurant license.

13 (2) The caterer's license may be issued as a primary license to a caterer in any wet  
14 territory or in any moist territory under KRS 242.1244 for the premises that serves  
15 as the caterer's commissary and designated banquet hall. No primary caterer's  
16 license shall authorize alcoholic beverage sales at a premises that operates as a  
17 restaurant. The alcoholic beverage stock of the caterer shall be kept under lock and  
18 key at the licensed premises during the time that the alcoholic beverages are not  
19 being used in conjunction with a catered function.

20 (3) The caterer's license shall authorize the caterer to:

21 (a) Purchase and store alcoholic beverages in the manner prescribed in KRS  
22 243.088, 243.250, and 244.260;

23 (b) Transport, sell, serve, and deliver alcoholic beverages by the drink at locations  
24 away from the licensed premises or at the caterer's designated banquet hall in  
25 conjunction with the catering of food and alcoholic beverages for a customer  
26 and the customer's guests, in:

27 1. Cities and counties established as moist territory under KRS 242.1244 if

- 1           the receipts from the catering of food at any catered event are at least  
2           seventy percent (70%) of the gross receipts from the catering of both  
3           food and alcoholic beverages;
- 4           2. Precincts established as moist territory if the receipts from the catering  
5           of food at any catered event are at least ten percent (10%) of the gross  
6           receipts from the catering of both food and alcoholic beverages. This  
7           subparagraph shall supersede any conflicting provisions of KRS  
8           Chapters 241 to 244;
- 9           3. Wet cities and counties in which quota retail drink licenses are not  
10          available if the receipts from the catering of food at any catered event  
11          are at least fifty percent (50%) of the gross receipts from the catering of  
12          both food and alcoholic beverages; or
- 13          4. All other wet territory if the receipts from the catering of food at any  
14          catered event are at least thirty-five percent (35%) of the gross receipts  
15          from the catering of both food and alcoholic beverages;
- 16          (c) Receive and fill telephone orders for alcoholic beverages in conjunction with  
17          the ordering of food for a catered event; and
- 18          (d) Receive payment for alcoholic beverages served at a catered event on a by-  
19          the-drink, cash bar, or by-the-event basis. The caterer may bill the customer  
20          for by-the-function sales of alcoholic beverages in the usual course of the  
21          caterer's business.
- 22          (4) A caterer licensee shall not cater alcoholic beverages at locations for which retail  
23          alcoholic beverage licenses or special temporary licenses have been issued. A  
24          caterer licensee may cater a charitable or nonprofit fundraising event for which a  
25          special temporary alcoholic beverage auction license has been issued under KRS  
26          243.036.
- 27          (5) A caterer licensee shall not cater alcoholic beverages on Sunday except in territory

1 in which the Sunday sale of alcoholic beverages is permitted under the provisions  
2 of KRS 244.290 and 244.480.

3 (6) The location at which alcoholic beverages are sold, served, and delivered by a  
4 caterer, pursuant to this section, shall not constitute a public place for the purpose of  
5 KRS Chapter 222. If the location is a multi-unit structure, only the unit or units at  
6 which the function being catered is held shall be excluded from the public place  
7 provisions of KRS Chapter 222.

8 (7) The caterer licensee shall post a copy of the licensee's caterer's license at the  
9 location of the function for which alcoholic beverages are catered.

10 (8) All restrictions and prohibitions applying to a quota retail drink licensee and an  
11 NQ4 retail malt beverage drink licensee not inconsistent with this section shall  
12 apply to the caterer licensee.

13 (9) The caterer licensee shall maintain records as set forth in KRS 244.150 and in  
14 administrative regulations promulgated by the board.

15 (10) Notwithstanding subsection (3)(b) of this section, a caterer may serve alcoholic  
16 beverages to guests who are twenty-one (21) years of age or older at a private event  
17 in dry territory if:

18 (a) The alcoholic beverages were lawfully purchased in a wet or moist territory:

19 1. By an individual; or

20 2. At the caterer's licensed premises in wet or moist territory; and

21 (b) The alcoholic beverages are not sold in dry territory to guests at the private  
22 residence or private event regardless of whether the venue is a public place.

23 **(11) A nonquota retail cannabis-infused beverage supplemental license may be issued**  
24 **by the department to a caterer licensee in accordance with subsection (6) of**  
25 **Section 2 of this Act.**

26 ➔Section 10. KRS 243.034 is amended to read as follows:

27 (1) A limited restaurant license may be issued to an establishment meeting the

1 definition criteria established in KRS 241.010(39) as long as the establishment is  
2 within:

3 (a) Any wet territory; or

4 (b) Any moist precinct that has authorized the sale of alcoholic beverages under  
5 KRS 242.1244.

6 (2) A limited restaurant license shall authorize the licensee to purchase, receive,  
7 possess, and sell alcoholic beverages at retail by the drink for consumption on the  
8 licensed premises or off-premises consumption pursuant to KRS 243.081. The  
9 licensee shall purchase alcoholic beverages only from licensed wholesalers or  
10 distributors, except for purchases made pursuant to subsection (5) of this section.  
11 The license shall not authorize the licensee to sell alcoholic beverages by the  
12 package.

13 (3) The holder of a limited restaurant license shall maintain at least seventy percent  
14 (70%) of its gross receipts from the sale of food and maintain the minimum  
15 applicable seating requirement required for the type of limited restaurant license.

16 (4) A limited restaurant as defined by KRS 241.010(39)(a) shall:

17 (a) Only sell alcoholic beverages incidental to the sale of a meal; and

18 (b) Not have an open bar and shall not sell alcoholic beverages to any person who  
19 has not purchased or does not purchase a meal.

20 (5) (a) The holder of a limited restaurant license may purchase alcoholic beverages  
21 by the package from licensees authorized to sell distilled spirits, wine, and  
22 malt beverages at retail, but only if those alcoholic beverages have first gone  
23 through the three (3) tier system.

24 (b) Any purchase made pursuant to this subsection shall:

25 1. Only be sold by the drink for consumption on the licensed premises or  
26 off-premises consumption pursuant to KRS 243.081;

27 2. Be reported quarterly on a form prescribed by the department; and

- 1           3. Include a copy of each receipt of purchase.
- 2           (c) The holder of a limited restaurant license shall not purchase at retail more
- 3           than:
- 4           1. Nine (9) liters of distilled spirits per month;
- 5           2. Nine (9) liters of wine per month; and
- 6           3. Three (3) cases of malt beverages per month.

7           **(6) A nonquota retail cannabis-infused beverage supplemental license may be issued**  
 8           **by the department to the holder of a limited restaurant license in accordance with**  
 9           **subsection (6) of Section 2 of this Act.**

10          ➔Section 11. KRS 243.039 is amended to read as follows:

- 11          (1) A limited golf course license may be issued to an establishment that is a nine (9) or
- 12          an eighteen (18) hole golf course that meets United States Golf Association criteria
- 13          as a regulation golf course as long as the establishment is within:
- 14          (a) Any wet territory; or
- 15          (b) Any moist precinct that has specifically authorized the sale of distilled spirits,
- 16          wine, and malt beverages at that establishment under KRS 242.123.
- 17          (2) A limited golf course license shall authorize the licensee to purchase, receive,
- 18          possess, and sell distilled spirits, wine, and malt beverages at retail by the drink for
- 19          consumption on the licensed premises. The licensee shall purchase distilled spirits,
- 20          wine, and malt beverages only from licensed wholesalers or distributors. The
- 21          license shall not authorize the licensee to sell distilled spirits, wine, and malt
- 22          beverages by the package.

23          **(3) A nonquota retail cannabis-infused beverage package license may be issued by**  
 24          **the department as a supplementary license to the holder of a limited golf course**  
 25          **license in accordance with subsection (6) of Section 2 of this Act.**

26          ➔Section 12. KRS 243.042 is amended to read as follows:

- 27          (1) A qualified historic site license may be issued to any establishment meeting the

1 criteria established in KRS 241.010 as long as the establishment is within:

2 (a) Any wet territory; or

3 (b) Any precinct that has authorized the sale of alcoholic beverages under KRS  
4 242.1242.

5 (2) A qualified historic site license shall authorize the licensee to:

6 (a) Sell alcoholic beverages by the drink at one (1) or more permanent or  
7 nonpermanent locations on the premises over which the licensee, by lease or  
8 ownership, has exclusive control without obtaining additional supplemental  
9 bar licenses prescribed by KRS 243.037;

10 (b) Sell alcoholic beverages by the drink to patrons at public or private functions  
11 held on the premises; and

12 (c) Purchase and store alcoholic beverages in the manner prescribed in KRS  
13 243.088, 243.250, and 244.260.

14 **(3) A nonquota retail cannabis-infused beverage supplemental license may be issued**  
15 **by the department to the holder of a qualified historic site license in accordance**  
16 **with subsection (6) of Section 2 of this Act.**

17 ➔Section 13. KRS 243.055 is amended to read as follows:

18 (1) As used in this section, the following definitions shall apply:

19 (a) "Hotel" means any hotel, motel, inn, or other establishment which offers  
20 overnight accommodations to the public for hire;

21 (b) "In-room service" means the delivery of alcoholic beverages in unbroken  
22 packages by an employee of the hotel to a registered guest's room when the  
23 alcoholic beverages have been ordered by a guest and when the guest shall be  
24 billed for the cost of the alcoholic beverages at the time of delivery, with all  
25 sales of the alcoholic beverages being completed upon delivery; and,  
26 additionally, the provision of a cabinet or other facility located in a hotel  
27 guest's room which contains alcoholic beverages and which is provided upon

1 written request of the guest and which is accessible by lock and key or remote  
2 control device only to the guest, with the sale of the alcoholic beverages  
3 contained therein being final at the time requested, except for a credit which  
4 may be given to the guest for any unused portion. The licensee may stock a  
5 cabinet or other facility located in a hotel guest's room pursuant to this  
6 section, with fifty (50) milliliter containers of distilled spirits.

7 (2) The department may issue a hotel in-room service license to any hotel which is  
8 licensed to sell distilled spirits, wine, and malt beverages upon the payment of the  
9 fee set forth in KRS 243.030. The license shall authorize the licensee to sell  
10 distilled spirits, wine, and malt beverages by in-room service. The sale of alcoholic  
11 beverages by in-room service shall be subject to all restrictions and limitations  
12 contained in KRS Chapters 241 to 244, and the administrative regulations issued  
13 under those chapters, and shall be authorized only on the days and only during the  
14 hours as the sale of alcoholic beverages is otherwise authorized in the county or  
15 municipality. All alcoholic beverages sold pursuant to this section shall be  
16 considered by the drink sales and shall be subject to all state and local taxes  
17 imposed on alcoholic beverages and shall be purchased from a licensed wholesaler  
18 and distributor.

19 **(3) A nonquota retail cannabis-infused beverage supplemental license may be issued**  
20 **by the department to the holder of a hotel in-room service license in accordance**  
21 **with subsection (6) of Section 2 of this Act.**

22 ➔Section 14. KRS 243.110 is amended to read as follows:

23 (1) Except as provided in subsection (3) of this section, each kind of license listed in  
24 KRS 243.030 shall be incompatible with every other kind listed in that section and  
25 no person or entity holding a license of any of those kinds shall apply for or hold a  
26 license of another kind listed in KRS 243.030.

27 (2) (a) Each kind of license listed in KRS 243.040(1), (3), or (4) shall be

1 incompatible with every other kind listed in KRS 243.040(1), (3), or (4), and  
2 no person holding a license of any of those kinds shall apply for or hold a  
3 license of any other kind listed in KRS 243.040(1), (3), or (4).

4 (b) A brewery holding a license listed in KRS 243.040(5) or (8) shall not apply  
5 for or hold a license listed in KRS 243.040(3) or (4).

6 (3) (a) The holder of a quota retail package license may also hold a quota retail drink  
7 license, an NQ1 retail drink license, an NQ2 retail drink license, an NQ3 retail  
8 drink license, a cannabis-infused beverage retail package license, or a special  
9 nonbeverage alcohol license.

10 (b) The holder of a transporter's license may also hold a distilled spirits and wine  
11 storage license.

12 (c) The holder of a distiller's license may also hold a rectifier's license, a special  
13 nonbeverage alcohol license, a winery license, or a small farm winery license.

14 (d) A commercial airline system or charter flight system retail license, a  
15 commercial airline system or charter flight system transporter's license, and a  
16 retail drink license if held by a commercial airline or charter flight system  
17 may be held by the same licensee.

18 (e) A Sunday retail drink license, vintage distilled spirits license, and  
19 supplemental license may be held by the holder of a primary license.

20 (f) The holder of a distiller's, winery, small farm winery, brewer, microbrewery,  
21 distilled spirits and wine supplier's, or malt beverage supplier's license may  
22 also hold a direct shipper license.

23 (g) The holder of an NQ1 retail drink license, an NQ2 retail drink license, an  
24 NQ3 retail drink license, a quota retail drink license, or a limited restaurant  
25 license may also hold a limited nonquota package license.

26 **(h) The holder of a special temporary license, a special Sunday retail drink**  
27 **license, a caterer's license, a hotel in-room license, an entertainment**

1                   *destination center license, a limited restaurant license, a limited golf course*  
2                   *license, or a qualified historic site license may also hold a nonquota retail*  
3                   *cannabis-infused beverage supplemental license.*

4 (4) (a) The holder of a cannabis-infused beverage retail package license shall not  
5 apply for or hold the license listed in KRS 243.030(5) or 243.040(3).

6 (b) ~~[(The holder of a cannabis-infused beverage retail package license shall also~~  
7 ~~hold a quota retail package license.~~

8 ~~(c)~~—]The holder of a cannabis-infused beverage distributor's license may hold it as  
9 a primary license or as a supplemental license to a distributor's license or a  
10 wholesaler's license.

11 (5) Any person may hold two (2) or more licenses of the same kind.

12 (6) A person or entity shall not evade the prohibition against applying for or holding  
13 licenses of two (2) kinds by applying for a second license through or under the  
14 name of a different person or entity. The state administrator shall examine the  
15 ownership, membership, and management of applicants, and shall deny the  
16 application for a license if the applicant is substantially interested in a person or  
17 entity that holds an incompatible license.

18 ➔Section 15. KRS 243.260 is amended to read as follows:

19 (1) A special temporary license may be issued in wet territory to any regularly  
20 organized fair, exposition, racing association, farmers market, or other party, when  
21 in the opinion of the board a necessity for the license exists. Unless inconsistent  
22 with this section, a special temporary licensee shall have the same privileges and  
23 restrictions of a quota retail drink licensee and an NQ4 retail malt beverage drink  
24 licensee at the designated premises, not to exceed thirty (30) days.

25 (2) A nonprofit organization holding an NQ4 retail malt beverage drink license may be  
26 issued a special temporary license to sell distilled spirits and wine by the drink on  
27 the licensed premises for a specified and limited time, not to exceed ten (10) days.

1       The temporary license may be issued in conjunction with any public or private  
2       event, including but not limited to weddings, receptions, reunions, or similar  
3       occasions.

4       (3) The holder of a special temporary license may sell, serve, and deliver alcoholic  
5       beverages by the drink, for consumption only at the designated premises and the  
6       date and times for the qualifying event.

7       (4) A special temporary license shall not be issued for an event held in dry or moist  
8       territory.

9       **(5) A nonquota retail cannabis-infused beverage supplemental license may be issued**  
10       **by the department to the holder of a special temporary license in accordance with**  
11       **subsection (6) of Section 2 of this Act.**

12       ➔Section 16. Whereas it is crucial to maintain a well-informed public to protect it  
13       from potentially unsafe consumer products, an emergency is declared to exist, and this  
14       Act takes effect upon its passage and approval by the Governor or upon its otherwise  
15       becoming a law.