Local Government Mandate Statement Kentucky Legislative Research Commission 2022 Regular Session

Part I: Measure Information

Bill Request #: 1548			
Bill #: HB 536 GA			
Document ID #: <u>7368</u>			
Bill Subject/Title: AN	ACT relating to alco	pholic beverages.	
Sponsor: Representativ	e Scott Sharp		
		X County X Consolidated Local	Unified Local
Office(s) Impacted: Cities (or counties with a city) having a population less than 20,000			
Requirement: X M	andatory Opti	onal	
Effect on Powers & Duties:	Modifies Existing _	X Adds New X El	iminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 536 GA repeals and reenacts KRS 242.1292, relating to alcoholic beverage limited sale precincts in cities with a population of 20,000 or more. The bill establishes that licenses issued by a state or local administrator to precincts in cities of 20,000 or more before the effective of this Act shall remain valid, in effect, and subject to the regulatory license fee. Additionally, HB 536 provides that current licenses shall not count towards any other city, county, or state license limits.

HB 536 GA provides that for any city with a limited sale precinct established before the effective date of this Act, the governing body of the city may continue to impose a regulatory license fee of each establishment located in the city. The fee is to be used to cover policing, regulatory, or administrative expenses related to the sale of alcohol within the city and is in addition to any other taxes, fees, or licenses. A credit shall be allowed equal to any licenses or fees imposed by the city.

HB 536 GA provides that precincts where at least 10% of the gross receipts are from the catering of both food and alcoholic beverages are established as moist territories. HB 536 removes language forbidding a caterer licensee to cater alcoholic beverages at an event hosted by the caterer licensee or as a joint venture of the caterer licensee, thus allowing a caterer to transport, sell, serve, and deliver alcoholic beverages in moist precincts at events hosted or co-hosted by the caterer.

KRS 242.1238 currently provides that any precinct containing a horse racetrack may hold a limited sale precinct election. HB 536 GA moves language currently found in KRS 242.1292 and moves that to KRS 242.1238. This language relates to the question that shall be placed for the ballot relating to limited sale precinct election and stipulates how the election shall be held.

The fiscal impact of HB 536 GA on local governments in dry counties with a horse track is not expected to be significant. Current statute already provides for a limited sale precinct election, HB 536 GA changes the statutory location of where this language will be located should the bill pass. Thus in regards to a local option election, HB 536 GA does not affect the intent or utilization of the current statute. There would not be an impact resulting from the new language in regards to the limited sale precinct ballot.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II refers to HB 536 GA version. HB 536 GA is the same as the bill introduced. The bill passed its chamber of origin without any amendments or substitutes.

Data Source(s): LRC Staff; https://www.lex18.com/news/new-race-track-coming-to-

corbin-this-fall; Kentucky Alcoholic Beverage Control Board.

Preparer: Wendell F. Butler **Reviewer:** KHC **Date:** 3/7/22