

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2024 Regular Session**

Part I: Measure Information

Bill Request #: 919

Bill #: HB 439/GA

Document ID #: 7471

Bill Title: AN ACT relating to alcoholic beverages and declaring an emergency.

Sponsor: Representative Matthew R. Koch

Unit of Government: City County Urban-County
Unified Local
 Charter County Consolidated Local Government

Office(s) Impacted: All local governments

Requirement: Mandatory Optional

Effect on
Powers & Duties: Modifies Existing Adds New Eliminates Existing

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

Section 3 of HB 439/GA allows one quota retail package license for every 2,000 residents in any wet county or urban-county government with more than 100,000 residents.

Section 4 of HB 439/GA permits a city, county, or urban-county government to petition for an increase in the number of quota retail package licenses.

Section 5 of HB 439/GA prohibits a city, county, or urban-county government from seeking a quota retail package license increase until at least one year after the certification of the local option election.

Sections 6 and 7 of HB 439/GA authorizes a precinct local option election to allow the sale of alcoholic beverages at marinas. It also sets petition and ballot language; establishes marina definition and qualifications for a local option election and licensure; makes marinas eligible for retail package and drink licenses; and exempts marina licenses from quota totals for the territory.

Section 12 of HB 439/GA allows a vintage distilled spirits license to be issued as a supplementary license to a licensee that holds a primary license that permits the sale of distilled spirits by the package or by the drink. Vintage distilled spirits licensees shall purchase all vintage distilled spirits in person at its licensed premises. A licensee may sell the vintage spirits by the drink or by the package. A vintage distilled spirits licensee shall not purchase more than 24 vintage distilled spirits packages from any single seller in any given 12-month period. A vintage distilled spirits seller shall not sell more than 24 vintage distilled spirit packages to any single or combination of vintage distilled spirits licensees in any given 12-month period

Section 15 of HB 439/GA states that a vintage distilled spirits seller that sells more than 24 vintage distilled spirit packages to any single or combination of vintage distilled spirits licensees in any given 12-month period shall be fined \$500 for a first offense, \$2,500 for a second offense, and \$5,000 for a third and each subsequent offense.

Section 16 of HB 439/GA enables an owner that has had alcoholic beverages seized, to appeal the board's final order in the Circuit Court of the county where the seizure occurred.

The fiscal impact of HB 439/GA on local governments is indeterminable. Section 16 of HB 439/GA would possibly create more appeals of alcohol beverage seizures in Circuit Courts. Because HB 439/GA creates new requirements and an appeal process, it cannot be estimated how many new court cases or appeals will be conducted.

Data Source(s): LRC Staff and Department of Corrections

Preparer: Brandon White (BL) **Reviewer:** KHC **Date:** 3/4/24