

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2025 Regular Session**

**Part I: Measure Information**

<b>Bill Request #:</b>	492	<b>Bill #:</b>	HB 211 HCS 1
<b>Document ID #:</b>	3555	<b>Sponsor:</b>	Representative Chris Lewis
<b>Bill Title:</b>	An Act relating to cigar bars		

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

Office(s) Impacted:    Legal, code enforcement

Requirement:             Mandatory             Optional

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

Other Fiscal Statement(s) that may exist:     Actuarial Analysis             Corrections Impact  
     Health Benefit Mandate             State Employee Health Plan

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

HB 211 HCS Section 1 would create a new section of KRS Chapter 65 to define “cigar bar” and to authorize operation of a cigar bar in Kentucky in any area where other businesses that hold a valid quota retail drink license for on-premises drinking of alcohol are located. A cigar bar would be subject to other state and local laws not in conflict with the Act, including land use ordinances applicable to businesses that hold a valid quota retail drink license for on-premises drinking of alcohol. A cigar bar which shares a wall or common enclosed air space with other structures must be constructed or take measures to ensure smoke from the bar does not pass into interior or other spaces of those structures.

Local governments would be allowed to enact ordinances requiring a cigar bar obtain an annual permit to operate, and may require inspection of facilities and documentation of compliance. Local governments may establish a permit fee so long as the fee:

1. Is reasonable and consistent with permit fees for similar businesses; and

2. Does not exceed costs of policing, regulating, and administering the cigar bar pursuant to law.

**The fiscal impact of HB 211 HCS 1 on local governments would be minimally positive or minimally negative depending on whether the local government must amend their ordinances to exempt cigar bars from a non- smoking ordinance, and whether they decide to impose a licensing requirement on cigar bars.** The fiscal impact of HCS 1 differs from the fiscal impact of the bill as introduced because HCS 1 authorizes a local government to impose a licensing requirement on cigar bars and to collect a fee.

Cities and counties that have ordinances forbidding or restricting smoking would incur costs to amend their local ordinances to except cigar bars from the prohibition. Local governments that choose to impose a licensing requirement would also need to amend ordinances to require and administer such licensing. The costs to amend a local ordinance include attorney fees to draft new language and costs of publishing the proposed new ordinance in the local newspaper. According to Kentucky League of Cities, most cities, especially smaller ones, retain a city attorney on contract and pay on an hourly basis. KLC has recently reported that the average rate paid an attorney for such work is \$125/hour.

The Kentucky Press Association reported by telephone recently the following as a sample of publication costs in newspapers of record: in Knox County the Barbourville Mountain Advocate charges \$15.20 per column inch; the Richmond Register in Madison County charges \$13.29 per column inch; the Owensboro Messenger for Boone, Kenton and Campbell counties through link-nky charges \$28 per column inch.

Enforcement of such an ordinance would require minimal additional local government resources.

If a local government decides to impose a license requirement, they may also impose and collect a license fee. Such fee could defray some of the costs of amending ordinances and inspection of cigar bars.

**Data Source(s):** Kentucky Association of Counties; Kentucky League of Cities; Kentucky Press Association; LRC staff

**Preparer:** MS **Reviewer:** TJ (MDA) **Date:** 2/13/25