PUBLIC PROTECTION CABINET

Department of Alcoholic Beverage Control (Amendment)

804 KAR 4:251. Special temporary licenses.

RELATES TO: KRS 243.260

STATUTORY AUTHORITY: KRS 241.060

NECESSITY, FUNCTION, AND CONFORMITY: KRS 241.060(1) authorizes the board to promulgate reasonable administrative regulations governing procedures relative to applications for licensure. KRS 243.260 provides for the issuance of a special temporary license in wet territory to any regularly organized fair, exposition, racing association, or other party, when, in the opinion of the board a necessity for the license exists. This administrative regulation establishes application procedures and requirements for special temporary licenses.

- Section 1. Definition. "Organized civic or community-sponsored event" means a public gathering of broad appeal where citizens are invited and encouraged to attend without significant cost of admission that is sponsored or acknowledged by the city or county government in which the event is conducted, including any convention, conference, celebration, pageant, parade, festival, fair, public display, commemoration, or other type of public assemblage conducted for the benefit and enjoyment of the general public.
- Section 2. An applicant for a special temporary license pursuant to KRS 243.260 shall complete the [online application process and submit their Online Special]Temporary License Application electronically in accordance with 804 KAR 4:400 via[at] the department's Online[Kentucky Alcoholic Beverage Control] portal[: https://abeportal.ky.gov/BELLEExternal]. The applicant shall complete and submit their application no later than five (5) working days prior to the date for which the license is requested.
- Section 3. An applicant for a special temporary license pursuant to KRS 243.260 shall provide supplemental information as the <u>administrator[board]</u> shall <u>deem[find]</u> necessary for proper review of the application.
- Section 4. For purposes of the issuance of special temporary licenses pursuant to KRS 243.260, "necessity," in the opinion of the board, shall limit applicants to:
 - (1) A regularly organized fair, exposition, racing association, nonprofit organization, or political campaign function; or
 - (2) A for-profit individual, corporation, or organization if the license will be used in conjunction with an organized civic or community-sponsored event.
- Section 5. For-profit individual, corporate, or organizational applicants for a temporary license in conjunction with an organized civic or community-sponsored event shall submit written or documentary evidence of the civic nature of the event, including promotional materials or news articles evidencing the local government's knowledge of, and support for, the event for which the applicant seeks a temporary license.

[Section 6.] [Incorporation by Reference.]

- [(1)] ["Online Special Temporary License Application", February 2021, is incorporated by reference.]
- [(2)] [This material may be inspected, copied, or obtained, subject to applicable copyright law, at Department of Alcoholic Beverage Control, 500 Mero Street, 2 NE 33, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.]

RAY PERRY, Secretary ALLYSON C TAYLOR, Commissioner

APPROVED BY AGENCY: December 13, 2024 FILED WITH LRC: December 20, 2024 at 2:50 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on March 25, 2025, at 9:00 a.m. EST, at 500 Mero Street, Room 127CW, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through March 31, 2025. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Joshua Newton, General Counsel, Department of Alcoholic Beverage Control Address: 500 Mero Street, 2 NE #226, Frankfort, Kentucky 40601, phone (502) 782-0770, fax (502) 564-4850, email Joshua.Newton@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Joshua Newton

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This regulation outlines the form to be used to apply for special temporary licenses.

(b) The necessity of this administrative regulation:

This regulation is necessary to guide industry members and the public to the forms to apply for a special temporary license.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 241.060(1) authorizes the board to promulgate reasonable administrative regulations governing procedures relative to applications for licensure. KRS 243.260 provides for the issuance of a special temporary license. This administrative regulation establishes application procedures and requirements for special temporary licenses.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

The agency has the duty to provide the public with the opportunity to apply for alcohol licenses. This regulation points them to the appropriate form to apply for a special temporary license.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

The amendment outlines the special temporary license form accessible on the agency's online licensing portal.

(b) The necessity of the amendment to this administrative regulation:

The amendment is necessary to update the regulation to incorporate the agency's online special temporary license application form.

(c) How the amendment conforms to the content of the authorizing statutes:

This amendment reflects the updated forms to accomplish this statutory mandate.

(d) How the amendment will assist in the effective administration of the statutes:

KRS 241.060(1) authorizes the board to promulgate reasonable administrative regulations governing procedures relative to applications for licensure. KRS 243.260 provides for the issuance of a special temporary license. This amendment updates the online form to apply for a special temporary license.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

Entities across the state apply for special temporary licenses for all types of civic and charitable events. While it is not possible to determine an exact number, any organization, community, or business wishing to serve, sell, auction, or otherwise incorporate alcohol into their event will likely need a special temporary license.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

The entities listed will continue to apply online for special temporary licenses.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

There are fees for licenses but there is no fee to access or utilize the online portal. There will be no new cost or expense to the applicants.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

By allowing online license application these entities applying for special temporary licenses have realized a positive impact in that the licenses are issued in a much quicker and streamlined process than paper forms and mail. This amendment merely updates and formally codifies the online applications and the licensing portal.

- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
 - (a) Initially:

There is no cost to the agency as the licensing portal is built in-house.

(b) On a continuing basis:

There are no additional continuing costs to the agency as the licensing portal is built in-house.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

The agency utilizes licensing fees to meet its licensing and enforcement obligations.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

An increase in fees or funding is not necessary to implement this amendment.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

This amendment does not establish or increase any fees either directly or indirectly.

(9) TIERING: Is tiering applied?

There is no tiering applied as this amendment is simply to update forms used online to apply for the special temporary license.

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 241.060(1) authorizes the board to promulgate reasonable regulations involving licensing, and KRS 13A.110 provides a statutory mandate that forms for license applications be promulgated.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions:

Kentucky Department of Alcoholic Beverage Control.

(a) Estimate the following for the first year:

Expenditures:None

Revenues: None

Cost Savings:None

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? This amendment is to update forms incorporated by reference and will result in no changes to expenditures, revenues, or costs.
- (3) Identify affected local entities (for example: cities, counties, fire departments, school districts):

Local ABC administrators have access to the online portal for local approvals and denials. The change in the forms online will not affect these entities.

(a) Estimate the following for the first year:

Expenditures:None

Revenues:None

Cost Savings:None

- **(b)** How will expenditures, revenues, or cost savings differ in subsequent years? This amendment updates materials incorporated by reference and does not affect expenditures, revenues, or costs.
- (4) Identify additional regulated entities not listed in questions (2) or (3): None
 - (a) Estimate the following for the first year:

Expenditures: N/A

Revenues: N/A

Cost Savings: N/A

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? N/Δ
- (5) Provide a narrative to explain the:
 - (a) Fiscal impact of this administrative regulation:

There is no fiscal impact related to this amendment.

(b) Methodology and resources used to determine the fiscal impact: $N\!/\!A$

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). (\$500,000 or more, in aggregate)

This amendment, incorporating the online forms used to apply for special temporary licenses, has no negative or adverse impact.

(b) The methodology and resources used to reach this conclusion:

These forms make applying for and renewing licenses easier and faster while costing the applicant nothing to utilize them.