

## KY General Assembly 2018 Regular Session - Alcoholic Beverages & Alcoholism Bills

This list was updated 4/14/2018. Visit [www.lrc.ky.gov/legislation.htm](http://www.lrc.ky.gov/legislation.htm) for information on legislation in Kentucky.

### Alcohol Outlet Density Limitations

Bill No.	Description – Sponsor(s)	Status
<p><a href="#">SB 110</a> <a href="#">(BR-1249)</a></p> <p><a href="#">SCS</a></p> <p><a href="#">SFA9</a></p> <p><a href="#">HFA1</a></p> <p><a href="#">HFA2</a></p>	<p><b>AN ACT relating to quota licenses for alcohol.</b> – <i>Sen. Jimmy Higdon, C.B. Embry Jr.</i></p> <ul style="list-style-type: none"> <li>▪ <b>Codify the alcohol quota license system for wet counties &amp; cities</b> (1 quota retail package license available per 2300 residents &amp; 1 quota retail drink license available per 2500 residents in wet county except in a wet county containing a first class city (Jefferson County – Louisville) whereas 1 retail package &amp; 1 drink license is available per 1500 residents; no fewer than 2 quota retail package licenses available for issuance in any wet county to prevent monopolies; &amp; any quota amounts in excess of population limits issued previously shall remain in effect until those licenses issues in excess are surrendered, not renewed or revoked)</li> <li>▪ Specify the KY ABC’s process for verifying quota #s; establish criteria for ABC Board to consider when city petitions for quota increase</li> <li>▪ <a href="#">SCS</a> - Delete county ability to petition for quota increase.</li> <li>▪ <a href="#">SFA9</a> (Schroder, Wil) - <b>Delete all references to quota retail drink licenses</b> (Meaning SB110 w/ SFA9 would only codify alcohol quota retail packaged licenses &amp; <b>could permit an unlimited # of quota retail drink licenses</b>).</li> <li>▪ <a href="#">HFA1</a> (Gooch Jr., Jim) - Allow a wet city w/ a population &lt;1000 to impose a regulatory license fee on the sale of alcoholic beverages.</li> <li>▪ <a href="#">HFA2</a> (Gooch Jr., Jim) - Make title amendment.</li> <li>▪ <b>RESEARCH: Alcohol Outlet Density refers to the concentration of retail alcohol establishments; including bars, restaurants, liquor stores and package stores, per area or population. An increase in alcohol outlet density is associated with increased levels of alcohol consumption among adolescents, increased levels of assault, and other harm such as homicide, child abuse and neglect, self-inflicted injury, and road traffic injuries.</b> <small>World Health Organization, 2010; Alcohol Justice, 2014; American Journal of Preventative Medicine, 2009, 37:6: pps. 567-569; JHSPH, CAMY, 2013; CDC, 2017</small></li> </ul>	<p><b>SIGNED BY THE GOVERNOR</b> (Acts, ch. 154) <b>04/14/18</b></p> <p><b>PASSED 79-12 (H)</b> <b>04/02/18</b></p> <p><b>PASSED 32-4 w/ SCS &amp; SFA9 (S)</b> <b>03/01/18</b></p>

### Alcohol Home Delivery, Direct Shipping

<p><a href="#">HB 400</a> <a href="#">(BR-1376)</a></p> <p><a href="#">HCS</a></p>	<p><b>AN ACT relating to direct shipment of alcoholic beverages.</b> – <i>Rep. Chap McCoy, Sal Santoro, Susan Westrom, Mart Hart, Linda Belcher, Addia Wuchner, David Osborne</i></p>	<p><b>SIGNED BY THE GOVERNOR</b> (Acts, ch. 164) <b>04/13/18</b></p>
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	<ul style="list-style-type: none"> <li>▪ Allow distilleries and small farm wineries to ship product &amp; monthly club membership orders directly to consumers</li> <li>▪ Allow quota retail package license holders (<i>liquor stores &amp; pharmacies</i>) and transporters to ship directly to consumers</li> <li>▪ Set requirements for delivery of alcoholic beverages purchased out-of-state to consumers in Kentucky</li> <li>▪ Limit common carrier delivery liability &amp; add defense to ship to dry territory</li> <li>▪ <b>HCS</b> – Add packaged sales for distilleries. Allow quota retail package licensees w/ 80% gross sales to KY residents to ship directly to customers.</li> <li>▪ <b>RESEARCH:</b> <u>2015-12 SAMHSA Report to Congress on the Prevention and Reduction of Underage Drinking: Policy Summary – Home Delivery</u> found alcohol home delivery increases the potential access of alcohol to minors. <u>“Minors Can Easily Avoid Age Requirements When Buying Alcohol Online, Study Suggest” article</u> by Join Together Staff, based on University of North Carolina at Chapel Hill research. This study appears in the <u>Archives of Pediatrics and Adolescent Medicine</u>.</li> <li>▪ <u>The fiscal impact of this bill cannot be determined due to the current lack of carriers willing to deliver alcohol in KY.</u> Current law allows wineries in other states to ship wine purchased on-site to KY consumers. While KY statutes allow for these shipments, the 3 largest domestic carriers (USPS, FedEx, and UPS) do not deliver wine to KY. USPS does not ship any alcohol in any state. UPS &amp; FedEx deliver wine and other alcohol in other states where it is lawful to do so, but they choose not to deliver wine to Kentucky consumers, even though it is lawful. New emerging alcohol delivery smartphone app companies would likely be a faster &amp; cheaper alternative for delivery of local direct to consumer alcohol sales, but not be an alternative for long-distance out-of-state deliveries.</li> </ul>	<p><b>PASSED 33-5 (S)</b></p> <p><b>PASSED w/ HCS 84-11 (H)</b></p>
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## Expanded Sales, New License Types

Bill No.	Description – Sponsor(s)	Status
<p><b><u>HB 136</u></b> <b><u>(BR-480)</u></b></p> <p><b><u>HFA1</u></b></p> <p><b><u>HCS</u></b></p> <p><b><u>HFA5</u></b></p>	<p><b>AN ACT relating to microbreweries</b> – Rep. Adam Koenig, Susan Westrom, Ruth Ann Palumbo, Rob Rothenburger, Diane St. Onge, Mark Hart, Mary Lou Marzian, Thomas Walker, Jason Nemes, Chad McCoy, Morgan C. Wesley, Phil Moffett, Addia Wuchner</p> <ul style="list-style-type: none"> <li>▪ Require microbreweries to report and pay taxes on wholesale sales made directly to consumers to the Department of Revenue</li> <li>▪ Define "microbrewery" and to include retail sales made by a microbrewery directly to a consumer in the definition of "wholesale sale"</li> <li>▪ Exempt microbreweries from the authorization to deduct 1% of the tax due</li> <li>▪ <b>HFA1</b> (Koenig, Adam) - allow an <u>unlimited sales by the drink, &amp; limit package sales to one case</u> by microbreweries at fairs, festivals, &amp; similar events.</li> <li>▪ <b>HCS</b> - delete new language restricting sales to being direct to consumer; calculate the gross receipts of a microbrewery making "wholesale sales."</li> </ul>	<p><b>SIGNED BY GOVERNOR 03/16/18</b></p> <p><b>PASSED 33-3 (S) 03/01/18</b></p> <p><b>PASSED 68-15 w/ HCS, HFA1, &amp; HFA5 (H) 02/09/18</b></p>

	<ul style="list-style-type: none"> <li>▪ <b>HFA5</b> (Koenig, Adam) - limit malt beverages sold on premises for off-premises consumption &lt;31 gallons per person per day (<b>limit to 3 cases of malt bevs.</b>).</li> </ul>	
<b><u>SB 98 (BR-1244)</u></b>	<p><b>AN ACT relating to entertainment destination center licenses.</b> – <i>Sen. Stephan West, Wil Schroder, Damon Thayer</i></p> <ul style="list-style-type: none"> <li>▪ Create a new entertainment destination center license for counties not containing a consolidated local government or an urban-county government.</li> </ul>	<p><b>SIGNED BY GOVERNOR (Acts, ch. 21) 03/23/18</b></p> <p><b>PASSED 82-2 (H) 03/09/18</b></p> <p><b>PASSED 33-3 (S) 02/08/18</b></p>

*\*Reference to similar alcohol-related bills previously proposed in Kentucky*

*\*\*Notes on existing law or historic reference provided by the Alcohol PES for informational purposes*