AN ACT relating to alcohol.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

→ Section 1. KRS 242.125 is amended to read as follows:

- [As used in this section, "city" or "cities" means a city or cities containing a population equal to or greater than three thousand (3,000) based upon the most recent federal decennial census.
- (2)]A city shall not be deemed to be the "same territory" as that of a county within the meaning of KRS 242.030(5). A city shall have the right to determine its wet or dry status separate from a county's wet or dry status.
- (2)[(3)] A dry or moist city may hold a local option election to take the sense of the city residents for establishing the city as a wet territory. If the majority of the votes are in favor of establishing the city as a wet territory, the whole city shall become wet territory by application of KRS 242.200.
- (3)[(4)] Once a city votes under this section to become wet territory separate from the county, a countywide local option election establishing the county as dry or moist territory shall not cause the city to become dry or moist territory.
- (4)[(5)] A wet city may hold a local option election to take the sense of the city residents for establishing the city as a dry or moist territory. If the majority of the votes are in favor of establishing the city as a dry or moist territory, the whole city shall become dry or moist territory by application of KRS 242.190.
- (5)[(6)] If a city votes to become wet territory, a precinct of the city may hold a later election in conformity with this chapter to take the sense of the city precinct residents for establishing the city precinct as a dry or moist territory. If the majority of the votes are in favor of establishing the city precinct as a dry or moist territory, the city precinct shall become dry or moist territory by application of KRS 242.190.
- (6)[(7)] If a city precinct becomes dry or moist territory separate from a wet city, the city precinct may hold a later election in conformity with this chapter, to take the

sense of the city precinct residents for reestablishing the city precinct as a wet territory. If the majority of the votes are in favor of reestablishing the city precinct as a wet territory, the city precinct shall become wet territory by application of KRS 242.200.

- (7)[(8)] A dry or moist county containing a wet city may hold a local option election to take the sense of the county residents for establishing the county as a wet territory. If the majority of the votes are in favor of establishing the county as a wet territory, the whole county shall become wet territory by application of KRS 242.200.
- (8)[(9)] A wet county containing a wet city by separate city election under this section may hold a local option election to take the sense of the county residents for establishing the county as a dry or moist territory. If the majority of the votes are in favor of establishing the county as a dry or moist territory, the county territory outside the wet city limits shall become dry or moist territory by application of KRS 242.190.
- (9)[(10)] Residents of any city, including a separately wet city, are residents of the county, and shall therefore be permitted to sign any petitions for, and vote in, county local option elections under this section.
- (10)[(11)] A petition seeking a local option election under this section shall state "We the undersigned registered voters hereby petition for an election on the following question: 'Are you in favor of the sale of alcoholic beverages in (name of county, city, or precinct)?'".
- (11)[(12)] In any local option election under this section, the proposition to be voted upon shall state "Are you in favor of the sale of alcoholic beverages in (name of county, city, or city precinct)?".
- (12)[(13)] The status of any moist territory approving limited alcoholic beverage sales through a previous election held under KRS 242.123, 242.124, 242.1242, and 242.1244, or any other limited local option election, shall not be affected by any

outcome of any election held under this section. A territory's moist status may only be changed by a local option election on the original same moist election proposition.

[(14) Any city that does not meet the population requirements of subsection (1) of this section that held a separate city wide election pursuant to subsections (1) to (4) of this section prior to January 1, 2015, shall maintain its wet status and shall be treated as a city as defined in this section for the purposes of subsections (5) to (13) of this section.]

→SECTION 2. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO READ AS FOLLOWS:

- (1) Notwithstanding any other provision of law, any city or county that conducted an election under KRS 242.1244(2) prior to January 1, 2016, for drink sales in restaurants and dining facilities seating one hundred (100) or more persons may elect to act under this section.
- (2) Upon a determination by the legislative body of the city or county that:
 - (a) An economic hardship exists within the city or county; and
 - (b) Expanded sales of alcoholic beverages by the drink could aid in economic growth;

The city or county may, after conducting a public hearing that is noticed to the public in accordance with KRS Chapter 424, adopt an ordinance authorizing drink sales in restaurants and dining facilities seating fifty (50) or more persons and meeting the requirements of subsection (3) of this section.

- (3) The ordinance enacted by a city or county under subsection (2) of this section shall authorize sales of alcoholic beverages under the following limitations:
 - (a) Sales may only be conducted in restaurants and other dining facilities meeting the requirements of KRS 241.010(32); and

- (b) KRS 243.034 shall apply to any restaurant or dining facility operating under a license issued pursuant to this section.
- (4) The enactment of an ordinance under this section shall not:
 - (a) Modify the city's or county's ability to issue a limited restaurant license to restaurants or other dining facilities meeting the requirements of KRS 241.010(32)(a); or
 - (b) Affect, alter, or otherwise impair any license previously issued to a restaurant or dining facility meeting the requirements of KRS 241.010(32)(a).
- (5) A city or county acting under this section may allow limited restaurant sales as defined in KRS 241.010(32)(a) and (b).

→SECTION 3. A NEW SECTION OF KRS CHAPTER 243 IS CREATED TO READ AS FOLLOWS:

- (1) A specialty retail establishment where the majority of sales are for products that do not contain alcohol and that holds an NQ2 license may be issued a sampling license to permit customers to sample its products that do contain alcohol. A sampling license issued under this section shall authorize the licensee to allow customers to sample, free of charge, distilled spirits and wine subject to the restrictions of subsections (2) and (3) of this section.
- (2) Free sampling shall be permitted only on licensed premises and by a licensee holding a sampling license during the regular business hours.
- (3) A licensee shall limit a customer to:

(a) Three (3) ounces of free distilled spirits samples per day; and

(b) Six (6) ounces of free wine samples per day.

→ Section 4. KRS 243.033 is amended to read as follows:

(1) A caterer's license may be issued as a supplementary license to a caterer that holds a quota retail package license, a quota retail drink license, an NQ1 license, an NQ2

license, *an NQ3 retail drink license*, or a limited restaurant license.

- (2) The caterer's license may be issued as a primary license to a caterer in any wet territory or in any moist territory under KRS 242.1244 for the premises that serves as the caterer's commissary and designated banquet hall. No primary caterer's license shall be issued to a premises that operates as a restaurant. The alcoholic beverage stock of the caterer shall be kept under lock and key at the licensed premises during the time that the alcoholic beverages are not being used in conjunction with a catered function.
- (3) The caterer's license shall authorize the caterer to:
 - (a) Purchase and store alcoholic beverages in the manner prescribed in KRS 243.088, 243.250, and 244.310;
 - (b) Transport, sell, serve, and deliver malt beverages by the drink at locations away from the licensed premises or at the caterer's designated banquet hall in conjunction with the catering of food and malt beverages for a customer and his or her guests, in:
 - 1. Cities and counties established as moist territory under KRS 242.1244 if the receipts from the catering of food at any catered event are at least seventy percent (70%) of the gross receipts from the catering of both food and malt beverages; or
 - 2. All other wet territory if the receipts from the catering of food at any catered event are at least thirty-five percent (35%) of the gross receipts from the catering of both food and malt beverages;
 - (c) Transport, sell, serve, and deliver distilled spirits and wine by the drink at locations away from the licensed premises or at the caterer's designated banquet hall in conjunction with the catering of food and alcoholic beverages for a customer and his or her guests, in:
 - 1. Cities and counties established as moist territory under KRS 242.1244 if

the receipts from the catering of food at any catered event are at least seventy percent (70%) of the gross receipts from the catering of both food and alcoholic beverages;

- Cities and counties established as wet territory permitting distilled spirits and wine drink sales by ordinance under KRS 243.072 if the receipts from the catering of food at any catered event are at least fifty percent (50%) of the gross receipts from the catering of both food and alcoholic beverages; or
- 3. All other wet territory in which the sale of distilled spirits and wine by the drink is authorized if the receipts from the catering of food at any catered event are at least thirty-five percent (35%) of the gross receipts from the catering of both food and alcoholic beverages;
- (d) Receive and fill telephone orders for alcoholic beverages in conjunction with the ordering of food for a catered event; and
- (e) Receive payment for alcoholic beverages served at a catered event on a bythe-drink or by-the-event basis. The caterer may bill the host for by-thefunction sales of alcoholic beverages in the usual course of the caterer's business.
- (4) A caterer licensee shall not cater alcoholic beverages at locations for which retail alcoholic beverage licenses or special temporary licenses have been issued. A caterer licensee may cater a fundraising event for which a special temporary distilled spirits and wine auction license has been issued under KRS 243.036.
- (5) A caterer licensee shall not cater distilled spirits and wine on Sunday except in territory in which the Sunday sale of distilled spirits and wine is permitted under the provisions of KRS 244.290 and 244.295. A caterer licensee shall not cater malt beverages on Sunday except in territory in which the Sunday sale of malt beverages is permitted under the provisions of KRS 244.480.

- (6) The location at which alcoholic beverages are sold, served, and delivered by a caterer, pursuant to this section, shall not constitute a public place for the purpose of KRS Chapter 222. If the location is a multi-unit structure, only the unit or units at which the function being catered is held shall be excluded from the public place provisions of KRS Chapter 222.
- (7) The caterer licensee shall post a copy of his or her caterer's license at the location of the function for which alcoholic beverages are catered.
- (8) The name and license numbers of the caterer shall be painted or securely attached, in a contrasting color, in a form prescribed by the board by promulgation of an administrative regulation, upon all vehicles used by the caterer to transport alcoholic beverages.
- (9) All restrictions and prohibitions applying to a distilled spirits and wine quota retail drink licensee not inconsistent with this section shall apply to the caterer licensee.
- (10) The caterer licensee shall maintain records as set forth in KRS 244.150 and in administrative regulations promulgated by the board.

→ Section 5. KRS 243.070 is amended to read as follows:

- (1) The legislative body of any city or a consolidated local government in which traffic in alcoholic beverages is not prohibited under KRS Chapter 242 may impose license fees for the privilege of manufacturing and trafficking in alcoholic beverages. Only those licenses set out in this section shall be issued. The license fees are subject to the provisions of subsections[(16),] (17),[and] (18), and (19) of this section, and shall not exceed the amounts specified in subsections (2) to (16)[-(15)] of this section.
- (2) Distilled spirit licenses as set forth in KRS 243.030:

(a)	Distiller's license, per annum	.\$500.00
(b)	Rectifier's license, per annum\$	3,000.00
(c)	Wholesaler's distilled spirits and wine license, per annum\$	3,000.00

	(d)	Quota retail package license, per annum:
		1. In counties containing a consolidated local government\$1,200.00
		2. In all other counties\$1,000.00
(3)	Quo	ta retail drink license, per annum:
	(a)	In counties containing a consolidated local government\$1,600.00
	(b)	In all other counties\$1,000.00
(4)	Spee	cial temporary license, per event:
	(a)	In counties containing a consolidated local government\$266.66
	(b)	In all other counties\$166.66
(5)	Non	quota type 1 retail drink license (includes distilled spirits, wine, and malt
	beve	erages), per annum\$2,000.00
(6)	Non	quota type 2 retail drink license (includes distilled spirits, wine, and malt
	beve	erages), per annum:
	(a)	In counties containing a consolidated local government\$1,800.00
	(b)	In all other counties\$1,000.00
(7)	Non	quota type 3 retail drink license (includes distilled spirits, wine, and malt
	beve	erages), per annum\$300.00
(8)	Dist	illed spirits and wine special temporary auction
	licer	nse, per event\$200.00
(9)	Spec	cial Sunday retail drink license, per annum\$300.00
(10)	Exte	ended hours supplemental license, per annum\$2,000.00
(11)	Cate	erer's license, per annum\$800.00
(12)	Bott	ling house or bottling house storage license, per annum\$1,000.00
(13)	Mal	t beverage licenses as follows:
	(a)	Brewer's license, per annum\$500.00
	(b)	Microbrewery license, per annum\$500.00
	(c)	Malt beverage distributor's license, per annum\$400.00

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	(d)	Nonquota retail malt beverage package license, per annum\$200.00		
	(e)	Nonquota type 4 retail malt beverage drink license, per annum\$200.00		
	(f)	Malt beverage brew-on-premises license, per annum\$100.00		
(14)	Limi	ted restaurant license (includes distilled spirits, wine, and malt beverages), per		
	annum:			
	(a)	In counties containing a consolidated local government\$1,800.00		
	(b)	In all other counties\$1,200.00		
(15)	Limi	ted golf course license (includes distilled spirits, wine, and malt beverages), per		
	annum:			
	(a)	In counties containing a consolidated local government\$1,800.00		
	(b)	In all other counties\$1,200.00		
(16)	<u>Qua</u>	lified historic site, per annum\$1,030.00		
<u>(17)</u>	The	fee for the following license types may not be increased by more than five		
	percent (5%) above the January 1, 2013, fee for the current license or the former			
	license type listed beside it, during any five (5) year period. The fees for the licenses			
	described in this subsection are still subject to the maximum amounts listed for			
	those licenses in subsections (2) to $(16)[-(15)]$ of this section:			
	(a)	Quota retail package license: retail package liquor license;		
	(b)	Quota retail drink license: retail drink license;		
	(c)	Nonquota type 1 retail drink license: convention center or convention hotel		
		complex license;		
	(d)	Nonquota type 2 retail drink license: restaurant drink license;		
	(e)	Nonquota retail malt beverage package license: retail malt beverage license;		
	(f)	Nonquota type 4 retail malt beverage drink license: retail malt beverage		
		license;		
	(g)	Limited restaurant license; and		
	(h)	Limited golf course license.		

- (18)[(17)] The fee for each of the first five (5) supplemental bar licenses shall be the same as the fee for the primary drink license. There shall be no charge for each supplemental license issued in excess of five (5) to the same licensee at the same premises.
- (19)[(18)] The holder of a nonquota retail malt beverage package license may obtain a Nonquota type 4 malt beverage drink license for a fee of fifty dollars (\$50). The holder of a Nonquota type 4 malt beverage drink license may obtain a nonquota retail malt beverage package license for a fee of fifty dollars (\$50).

Section 6. KRS 243.110 is amended to read as follows:

- (1) Except as provided in subsection (3) of this section, each kind of license listed in KRS 243.030 shall be incompatible with every other kind listed in that section and no person or entity holding a license of any of those kinds shall apply for or hold a license of another kind listed in KRS 243.030.
- (2) (a) Each kind of license listed in KRS 243.040(1), (3), or (4) shall be incompatible with every other kind listed in KRS 243.040(1), (3), or (4), and no person holding a license of any of those kinds shall apply for or hold a license of any other kind listed in KRS 243.040(1), (3), or (4).
 - (b) A brewery holding a license listed in KRS 243.040(6) or (9) shall not apply for or hold a license listed in KRS 243.040(3) or (4).
- (3) (a) The holder of a quota retail package license may also hold a quota retail drink license, *an NO1 retail drink license*, an NQ2 retail drink license, or a special nonbeverage alcohol license.
 - (b) The holder of a transporter's license may also hold a distilled spirits and wine storage license.
 - (c) The holder of a distiller's license may also hold a rectifier's license, a special nonbeverage alcohol license, or a winery license.
 - (d) A commercial airline system or charter flight system retail license, a

commercial airline system or charter flight system transporter's license, and a retail drink license if held by a commercial airline or charter flight system may be held by the same person or corporation.

- (e) A Sunday retail drink license and supplemental license may be held by the holder of a primary license.
- (4) Any person may hold two (2) or more licenses of the same kind.
- (5) A person or entity shall not evade the prohibition against applying for or holding licenses of two (2) kinds by applying for a second license through or under the name of a different person or entity. The state director shall examine the ownership and management of applicants, and shall deny the application for a license if the applicant is substantially interested in a person or entity that holds an incompatible license.

 \rightarrow Section 7. KRS 83A.022 is amended to read as follows:

Once a city meets the population criteria established in KRS 67.750, 82.095, 92.281, 96.060, 96.189, 97.120, 99.615, 100.137, 100.209, 100.217, 100.253, 241.160, 242.125,[242.127,] 242.1292, 243.072, 243.230, 244.290, 244.480, 244.540, and 281.014 under the most recent federal decennial census and has exercised the powers and duties pursuant to the section, the city shall not thereafter lose the ability to exercise the powers and duties provided in those sections because of an increase or decrease in population in a subsequent federal decennial census, or because of a judgment of a court pursuant to a petition to certify a city's population as different than the federal decennial census made under KRS 81.006. The city shall be permitted to continue to exercise the powers and duties under the applicable section as if it still meets the population requirements provided by the section. However, if there is a conflict between a power or privilege established under a lower population limit and a higher population limit, then the city shall follow the provisions required by the higher population limit.

→ Section 8. KRS 243.230 is amended to read as follows:

- (1) (a) Quota retail drink licenses may be issued only for premises located within urban-county governments, cities containing a population equal to or greater than eight thousand (8,000) based upon the most recent federal decennial census, or elsewhere in counties containing an urban-county government or such a city if those counties maintain an adequate police force under KRS 70.540 and 70.150 to 70.170.
 - (b) If one (1) or more quota retail drink licenses or NQ2 retail drink licenses have been issued to establishments in a city that does not meet the population requirements of paragraph (a) of this subsection or in a county that does not contain a city meeting the population requirements of paragraph (a) of this subsection prior to January 1, 2015, then that county or city shall continue to be treated in a manner as if the city or county meets the requirements of paragraph (a) of this subsection.
- (2) Notwithstanding subsection (1) of this section, quota retail drink licenses may be issued for premises located within a city <u>or county</u> in which the <u>city or county has</u> <u>enacted an economic hardship ordinance under Section 2 of this Act</u>[majority of votes cast in the most recent election held under KRS 242.127 and 242.129 were in favor of the proposition voted upon if the city has an adequate police force under KRS 95.761 to 95.784].
- (3) Notwithstanding subsection (1) of this section, NQ2 retail drink licenses may be issued to qualifying premises located within a city, or in a county, if the city or county has enacted an economic hardship ordinance under KRS 243.072.
- (4) (a) Quota retail package licenses may be issued only for premises located within incorporated cities, or elsewhere in counties containing an urban-county government or a city with a population equal to or greater than eight thousand (8,000) based upon the most recent federal decennial census if those counties maintain an adequate police force under KRS 70.540 and 70.150 to 70.170.

- (b) If one (1) or more quota retail package licenses have been issued to establishments in a county that does not contain a city meeting the population requirements of paragraph (a) of this subsection prior to January 1, 2015, then that county shall continue to be treated in a manner as if the county meets the qualifications of paragraph (a) of this subsection.
- (5) Notwithstanding subsection (4) of this section, the department may, after a field investigation, issue a quota retail package license to premises not located within any city if the county maintains an adequate police force under KRS 70.540 and 70.150 to 70.170, and if:
 - (a) Substantial aggregations of population would otherwise not have reasonable access to a licensed vendor;
 - (b) The premises to be licensed under this subsection shall be used exclusively for the sale of distilled spirits and wine by the package and malt beverages, where applicable, and shall not be used in any manner, in connection with a dance hall, roadhouse, restaurant, store, or any other commercial enterprise, except as a drug store in which a registered pharmacist is employed.
- (6) No quota retail package license or quota retail drink license for the sale of distilled spirits or wine shall be issued for any premises used as or in connection with the operation of any business in which a substantial part of the commercial transaction consists of selling at retail staple groceries or gasoline and lubricating oil.
 →Section 9. KRS 243.260 is amended to read as follows:

(1) A special temporary license may be issued in wet territory to any regularly organized fair, exposition, racing association, or other party, when in the opinion of the board a necessity therefor exists. This license shall authorize the licensee to exercise the privileges of a quota retail drink licensee and an NQ4 retail malt beverage drink licensee at designated premises for a specified and limited time, not to exceed thirty (30) days, and shall expire when the qualifying event ends. All

restrictions and prohibitions applying to a distilled spirits and wine quota retail drink licensee or an NQ4 retail malt beverage drink license shall apply also to a special temporary licensee.

- (2) A nonprofit organization holding an NQ4 retail malt beverage drink license may be issued a special temporary license to sell distilled spirits and wine by the drink on the licensed premises for a specified and limited time, not to exceed ten (10) days. The temporary license may be issued in conjunction with any public or private event, including but not limited to weddings, reception, reunions, or similar occasions.
- (3) The holder of a special temporary license may sell, serve, and deliver distilled spirits, wine, or malt beverages by the drink, for consumption at the event only in:
 - (a) Those cities and counties where quota retail drink licenses are authorized to be issued under KRS 243.230;
 - <u>or</u>
 - (b) [A city approving retail distilled spirits and wine sales under KRS 242.127 and 242.129; or
 - (c)]A city or county that has enacted an economic hardship ordinance under KRS 243.072.
- (4) The holder of a special temporary license may only sell, serve, and deliver wine or malt beverages by the drink, for consumption at an event located in all other cities and counties not identified in subsection (3) of this section.
- (5) A special temporary license shall not be issued for an event held in moist territory where only limited alcoholic beverages drink sales have been approved through a moist local option election.

 \Rightarrow Section 10. KRS 244.290 is amended to read as follows:

(1) (a) A premises that is licensed to sell distilled spirits or wine at retail shall be permitted to remain open during the hours the polls are open on any primary, or regular, local option, or special election day unless it is located where the legislative body of a city[with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census], urbancounty government, consolidated local government, charter county government, unified local government, or the fiscal court of a county[containing a city with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census] adopts an ordinance <u>after June 25, 2013</u>, that prohibits the sale of distilled spirits and wine or limits the hours and times in which distilled spirits and wine may be sold within its jurisdictional boundaries on any primary, or regular, local option, or special election day during the hours the polls are open.

- (b) This subsection shall only apply in a wet or moist territory.
- (c) Notwithstanding any other provision of the Kentucky Revised Statutes to the contrary, the fiscal court of a county shall not by ordinance or any other means:
 - 1. Supersede, reverse, or modify any decision made pursuant to this subsection by the legislative body of a city within that county; or
 - 2. Impose an action upon a city within that county when that city has taken no formal action pursuant to this subsection.
- (2) In any county containing a city of the first class, or a city with a population equal to or greater than twenty thousand (20,000) based upon the most recent federal decennial census in which the sale of distilled spirits and wine by the drink is permitted under KRS Chapter 242, an election on the question of permitting the sale of distilled spirits and wine by the drink on Sunday may be held as provided in KRS Chapter 242.
- (3) Except as provided in KRS 243.050, a premise for which there has been granted a license for the sale of distilled spirits or wine at retail by the drink or by the package

shall not remain open for any purposes between midnight and 6 a.m. or at any time during the twenty-four (24) hours of a Sunday, unless:

- (a) The licensee provides a separate locked department in which all stocks of distilled spirits and wine are kept during those times; or
- (b) The legislative body of a city[with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census], urbancounty government, consolidated local government, charter county government, unified local government, or the fiscal court of a county[containing a city with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census,] has otherwise established the hours and times in which distilled spirits and wine may be sold within its jurisdictional boundaries.
- (4) In any city[with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census,] or [in any]county [containing such a eity]in which the sale of distilled spirits and wine is permitted under KRS Chapter 242, the legislative body of the city or county may, by ordinance, permit the sale of distilled spirits and wine by the drink on Sunday from 1 p.m. until the designated closing hour of that locality at hotels, motels, or restaurants which:
 - (a) Have dining facilities with a minimum seating capacity of one hundred (100) people at tables; and
 - (b) Receive less than fifty percent (50%) of their annual food and beverage receipts from the dining facilities from the sale of alcohol.
- (5) In any <u>territory</u> county containing a licensed small farm winery that is permitted to sell alcoholic beverages under KRS Chapter 242, the sale of alcoholic beverages at the small farm winery on Sunday may be permitted if:
 - (a) The legislative body of the *local government having jurisdiction*[county] approves by local ordinance the sale of alcoholic beverages on Sunday in strict

accordance with the sales permitted by KRS 243.155 on the licensed premises of a small farm winery from 1 p.m. until the prevailing time for that locality; or

- (b) A limited sale precinct election on the issue of Sunday sales is approved after meeting the requirements of KRS 242.1241.
- (6) In any county containing a city of the first class or in any city located therein in which the sale of distilled spirits and wine is permitted under KRS Chapter 242, the distilled spirits director may issue a license to holders of a quota retail drink license or a special private club license which permits the sale of distilled spirits and wine by the drink on Sunday from 1 p.m. until the prevailing time for that locality.
- (7) Any city or county which has enacted a comprehensive, regulatory ordinance relating to the licensing and operation of hotels, motels, inns, or restaurants for the sale of alcoholic beverages by the drink under KRS 243.072, may also regulate and provide for the limited sale of distilled spirits and wine by the drink on Sundays if:
 - (a) The special Sunday retail drink licenses are issued only to those hotels, motels, inns, or restaurants authorized to sell alcoholic beverages by the drink under KRS 243.072; and
 - (b) The licensed retailers selling distilled spirits and wine by the drink have applied to the state director and meet all other legal requirements for obtaining a special Sunday retail drink license.
- (8) Notwithstanding any provision of the Kentucky Revised Statutes to the contrary, in any county containing an urban-county government, consolidated local government, charter county government, or unified local government where Sunday sales of distilled spirits and wine by the drink have been previously approved, the legislative body of the urban-county government, consolidated local government, charter county government, or unified local government may by ordinance extend Sunday sales to any premises licensed to sell distilled spirits and wine by the drink located

within the territorial boundaries of the urban-county government, consolidated local government, charter county government, or unified local government and may by ordinance establish the hours such distilled spirits and wine by the drink may be sold.

(9) Any city or county that has lawfully enacted a regulatory ordinance pursuant to this section prior to August 1, 2014, shall be deemed to meet the requirements for doing so set out in this section and may continue to enforce the ordinance pursuant to the provisions of this section.

→ Section 11. KRS 244.480 is amended to read as follows:

- Except as provided in subsection (4) of this section, no brewer or distributor shall deliver any malt beverages on Sunday or between the hours of midnight and 6 a.m. on any other day.
- (2) Except as provided in subsection (4) of this section, no retailer shall sell, give away, or deliver any malt beverages between midnight and 6 a.m. or at any time during the twenty-four (24) hours of a Sunday.
- (3) (a) A retailer may sell malt beverages during the hours the polls are open on a primary, or regular, local option, or special election day unless the retailer is located where the legislative body of an urban-county government, consolidated local government, charter county government, unified local government, city[containing a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census], or the fiscal court of a county[containing such a city], in which traffic in malt beverages is permitted by KRS Chapter 242 has adopted an ordinance <u>after</u> <u>June 25, 2013</u>, that prohibits the sale of alcoholic beverages or limits the hours and times in which alcoholic beverages may be sold within its jurisdictional boundaries on any primary, or regular, local option, or special election day.

- (b) This subsection shall only apply in a wet or moist territory.
- (c) Notwithstanding any other provisions of the Kentucky Revised Statutes to the contrary, the fiscal court of a county shall not by ordinance or any other means:
 - 1. Supersede, reverse, or modify any decision made pursuant to this subsection by the legislative body of a city within that county; or
 - 2. Impose an action upon a city within that county when that city has taken no formal action pursuant to this subsection.
- (4) The legislative body of an urban-county government, consolidated local government, charter county government, unified local government, city[-with a population equal to or greater than three thousand (3,000) based on the most recent federal decennial census], or county[-containing such a city], in which traffic in malt beverages is permitted by KRS Chapter 242, shall have the exclusive power to establish the times in which malt beverages may be sold within its jurisdictional boundaries, including Sunday and any primary, or regular, local option, or special election day sales if the hours so fixed shall not prohibit the sale, gift, or delivery of any malt beverages between 6 a.m. and midnight during any day, except Sunday.
- (5) Any city or county that has lawfully enacted a regulatory ordinance pursuant to this section prior to August 1, 2014, shall be deemed to meet the requirements for doing so set out in this section and may continue to enforce the ordinance pursuant to the provisions of this section.

→ Section 12. The following KRS sections are repealed:

- 242.127 Sale of distilled spirits or wine by the drink in wet city with population of 3,000 to 7,999 -- Local option election.
- 242.129 Statement of proposition submitted in election.