

Andy Beshear Governor

PUBLIC PROTECTION CABINET 500 Mero Street 218 NC Frankfort, Kentucky 40601 (502) 782-2736 (phone) (502) 564-3969 (fax) ppc.ky.gov Kerry B. Harvey Secretary

Ray A. Perry Deputy Secretary

<u>ORDER</u>

Effective: October 15, 2020 at 5:00 p.m.

On March 6, 2020, Governor Andy Beshear signed Executive Order 2020-215, declaring a state of emergency in the Commonwealth of Kentucky due to the outbreak of the COVID-19 virus, a public health emergency. As part of continuing efforts to prevent the spread of COVID-19 virus through in-person contact, Governor Beshear's "Healthy at Home" Executive Order 2020-257 signed March 25, 2020, only permitted life-sustaining businesses to remain open.

Consequently, many licensed establishments offering only on-premises alcoholic beverage consumption were required to close until further notice. Although Executive Order 2020-257(1)(k) permits restaurants to remain open, they may only sell food and alcoholic beverages by carry-out, delivery, and drive-thru services. (See March 16, 2020 Order of the Cabinet for Health and Family Services, Department of Public Health, and Public Protection Cabinet, Alcoholic Beverage Control, and the March 19, 2020 Order of the Department of Alcoholic Beverage Control ("Department")). Pursuant to Executive Order 2020-323, the Cabinet for Health and Family Services ("CHFS") issued an Order on May 11, 2020, requiring all entities in the Commonwealth implement and follow minimum requirements for health and safety. Thereafter, CHFS issued another Order on May 22, 2020, permitting restaurants with a food service permit in good standing and table seating to reopen with specific restrictions called Requirements for Restaurants in addition to the minimum requirements for all entities. On June 22, 2020, CHFS updated the Requirements for Restaurants (and Bars), limiting the number of customers in any given establishment to 50% capacity. Then on July 27, 2020, the Governor issued an order closing bars for two weeks, beginning on July 28, 2020. When bars reopened, CHFS issued further updated Requirements for Restaurants and Bars, effective August 11, 2020. These current requirements require patrons to remain seated at tables at all times unless entering, exiting, or using the restroom, prohibit bar service, and close bars and restaurants at 12:00 a.m.

Licensed establishments permitted during the COVID-19 pandemic to remain open and offer service through carry-out, delivery, and drive-thru services, and more recently, onsite consumption of food and alcoholic beverages at reduced capacity and hours of operation, nonetheless continue to experience a significant decline in demand for alcoholic beverages. As a



result of these retail establishment closures and reduced demand, licensee revenues have diminished, making license renewal an economic hardship.

Previously, the Department ordered that annual alcoholic beverage licenses expiring on April 30, 2020, shall remain in effect until May 31, 2020. (*See* March 19, 2020 Order). This delay on renewals was further extended to August 31, 2020. (*See* June 9, 2020 Order), and again to October 31 (*See* August 26, 2020 Order). However, the Department foresees that the protracted state of emergency will extend the economic hardship of licensees beyond October 31, 2020, and thus constitutes exigent circumstances. In order to diminish this economic hardship on alcoholic beverage licensees, and pursuant to KRS 39A.180, the Department hereby orders the following supplemental rule:

- 1. Annual alcoholic beverage licenses expiring on or before December 31, 2020, shall remain in effect and authorize alcoholic beverage sales until December 31, 2020. Licensees must submit license renewal applications to continue alcoholic beverage sales thereafter.
- 2. This Order replaces all licensure extensions previously granted and shall be the final extension granted barring exigent circumstances.

Kerry B. Harvey, Secretary Public Protection Cabinet

