

Andy Beshear GOVERNOR

Jacqueline Coleman LIEUTENANT GOVERNOR PUBLIC PROTECTION CABINET Kentucky Department of Alcoholic Beverage Control 500 Mero Street, 2NE33 Frankfort, KY 40601 Phone: (502) 564-4850 Fax: (502) 564-1442

Ray A. Perry SECRETARY

**DJ Wasson** DEPUTY SECRETARY

> Allyson Taylor COMMISSIONER

## ALCOHOL-RELATED LEGISLATION ADOPTED BY THE 2024 KENTUCKY GENERAL ASSEMBLY

## (REGULAR SESSION)

THIS BULLETIN IS FOR INFORMATIONAL PURPOSES ONLY. IT DOES NOT AMEND OR INTERPRET PROVISIONS OF THE KENTUCKY REVISED STATUTES OR THE KENTUCKY ADMINISTRATIVE REGULATIONS. THE BULLETIN IS NOT A COMPREHENSIVE REVIEW OF EACH ACT, BUT RATHER, SUMMARIZES THE MAIN PROVISIONS OF EACH ACT.

(Bills as enacted are available on the LRC website https://apps.legislature.ky.gov/record/24rs/record.html

**House Bill 439** became effective upon signature of the Governor on April 4, 2024. This bill did several things:

- 1. Wet counties with a population of over 100,000 people will now have quota retail package licenses in the amount of 1 for every 2,000 people. This change is automatic and affects Fayette, Daviess, Boone, Kenton, and Warren Counties. Jefferson County is not affected as it is a first-class city with a current quota of 1 for every 1,500 people. All other cities, counties and urban governments may petition the Alcoholic Beverage Control Board (ABC) for an increase in quotas for an amount up to 1 for every 1,500 in population.
- 2. Any retail licensee who wishes to buy or sell under the Vintage Distilled Spirits (VDS) laws is required to obtain a supplemental VDS license through the ABC licensee portal. The cost of this supplemental license is \$300 annually.
- 3. Existing administrative regulations were codified to require VDS purchases to be made on the licensed premises, requires VDS bottles have a sticker indicating they are VDS, and limits VDS purchases to 24 bottles from an individual VDS seller in a 12-month period. <u>This is not new law; it has merely been codified into statute.</u> Additionally, House Bill 439 retained the limit of 24 bottles on the amount of VDS bottles sellers may sell in total in a 12-month period.
- 4. VDS licensee is required to file a report at least monthly with the ABC and no VDS may be sold before the purchase is reported.
- 5. Advertisements for license applications may now be published in print or online newspapers.



- 6. Individuals delivering packages of alcohol to consumers on behalf of licensees are required to maintain paper or electronic copies of the license, rather than displaying it on delivery vehicles. These delivery drivers must verify by state-issued ID that the person taking possession is at least 21 years old and is not intoxicated.
- 7. The occupancy for a riverboat license is decreased from 100 passengers to 40 passengers.
- 8. ABC now has authority to offer confiscated alcohol for auction upon completion of any criminal or administrative case. The proceeds of the auctions go to the Alcohol Wellness and Responsibility Education (AWARE) Corporation.

**Senate Bill 50** became effective on July 15, 2024. This bill allows Class B distilleries (who don't also have Class A distillery licenses) to self-distribute product to any licensed retailer with the following limits:

- 1. Up to 5,000 gallons annually if the product is sold under a brand name owned or exclusively licensed by the distillery if the product is produced by the distillery, produced for the distillery under a written contract, or bottled for or by the distillery.
- 2. These products must be registered with the ABC through the ABC website.
- 3. Self-distribution must be in vehicles owned and operated by the distillery with the distillery name and license number displayed on the vehicle.
- 4. Products sold exclusively at the distillery gift shop or sold through wholesalers may not be self-distributed.
- 5. Payment of taxes and quarterly reporting to the ABC is required. Licensees should confer with their tax experts and attorneys to ensure compliance.

**House Bill 712** became effective on July 15, 2024. This bill created a marina license and a means to hold a local option election for alcohol sales at marinas. The following rules apply:

- 1. The marina must operate on a body of water, have at least 15 boat slips, buy and sell gas and petroleum products, and sell staple groceries and/or operate a restaurant on premises.
- 2. The local option election will ask voters if they support the sale of alcohol by the drink or malt beverages by the package at marinas.

