

Approved 4/5/83 Date

MINUTES OF THE House COMMITTEE ON Federal and State Affairs

The meeting was called to order by Rep. Neal D. Whitaker at
Chairperson

1:30 ~~xxx~~ a.m./p.m. on March 24, 1983 in room 526-S of the Capitol.

All members were present except:

Committee staff present:

Russ Mills, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes Office
Nora Crouch, Committee Secretary

Conferees appearing before the committee:

Wayne Issac, Federal Aid Coordinator, City of Wichita

Chairman Whitaker called the meeting to order and announced that HB 2552 was a bill requested by the City of Wichita and that he hoped action could be taken on the bill at the conclusion of action on other bills.

Scott Wright, City of Wichita, introduced Wayne Issac, Federal Aid Coordinator, City of Wichita, to explain HB 2552. The bill is an attempt to centralize the various functions of land management, including land acquisition, relocation of former owners and tenants, demolition of structures, and management and maintenance. He proposed additional changes to the bill. (See Attachment A)

The Chairman advised the Committee that there are approximately 1,400 statutes that may need to have changes made in them as a result of SB 89. The Revisor's office will do some further research and the Committee will come back to the bill on Monday.

Rep. Peterson moved, Rep. Hensley seconding, that HB 2313 be reported favorably for passage. The motion carried.

Rep. Matlack moved, Rep. Peterson seconding, that HB 2122 be reported favorably for passage. The motion carried.

Rep. Runnels moved, Rep. Matlack seconding, that SB 215 be reported favorably for passage. Rep. Vancrum made a substitute motion, Rep. Barr seconding, that subsection (f) be removed on Lines 114 through 122. The motion and second were withdrawn. Rep. Ott made a substitute motion, Rep. Vancrum seconding, that SB 215 be tabled. The motion and second were withdrawn. The original motion and second were also withdrawn after much discussion. The Chairman stated that since there seemed to be so many problems that this bill would also be held over until Monday.

On SB 208, the Revisor's office suggested that on Lines 54 and 55 that language referencing the Law Enforcement Training Act be included.
Rep. Peterson moved, Rep. Fuller seconding, that the amendment be adopted. The motion carried. Rep. Peterson moved, Rep. Ramirez seconding, that SB 208 be reported favorably for passage as amended. The motion carried.

Rep. Vancrum moved, Rep. Matlack seconding, that the proposed amendments by the Department of Administration (See Attachment B) be adopted on SB 160. The motion carried. Rep. Peterson moved, Rep. Roe seconding, that SB 160 be reported favorably for passage as amended. The motion carried.

Rep. Vancrum moved, Rep. Ediger seconding, that SB 28 be reported favorably for passage. The motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Federal and State Affairs,
 room 526-S, Statehouse, at 1:30 ~~am~~/p.m. on March 24, 1983

The Chairman announced that the Revisor had prepared a revision of HB 2551 for consideration encompassing a number of concerns shared by Tom Kennedy, Director of ABC. Mary Torrence, Revisor's office briefed the Committee on the provisions of the bill. (See Attachments C & D) Rep. Ott moved, Rep. Vancrum seconding that the bill draft be introduced as a substitute bill. Rep. Matlack moved to table the bill. As there was no second, the motion was lost. The original motion carried.

Rep. Matlack moved, Rep. Fuller seconding, that the proposed amendments to HB 2552 proposed by the City of Wichita, be adopted. The motion carried.
Rep. Fuller moved, Rep. Peterson seconding, that HB 2552 be reported favorably for passage as amended.

Rep. Ott moved, Rep. Roe seconding, that the minutes of March 14, 15, 16, 21, and 22 be approved. Rep. Smith noted that on the March 15 minutes a motion was left out. "Rep. Smith moved conceptually, Rep. Eckert seconding, that a new Sec. 2 be added stating that nothing in this act will be construed to prohibit training in fire arms for lawful defense, hunting, and sport shooting. The motion carried." Rep. Hensley noted that on the minutes of the March 16th meeting that the motion by Rep. Vancrum and Rep. Brady on the 40% food requirement was withdrawn; the statement by Rep. Fuller regarding the expiration date on the card was merely a statement and not a motion. Rep. Ott amended his motion to reflect the minutes be approved as corrected, Rep. Roe concurring. The motion carried.

Rep. Peterson moved, Rep. Hensley seconding, that HB 2527 be reported favorably for passage. The Chair ruled that that motion had already been made and failed so is not in order. Rep. Hensley moved, Rep. Peterson seconding, to amend HB 2527 to provide for a 25% figure on gross receipts. Rep. Ott made a substitute motion, Rep. Ramirez seconding, to amend HB 2527 to 35% on gross receipts. The motion carried. Rep. Runnels moved, Rep. Peterson seconding, that HB 2527 be reported favorably for passage as amended. The motion carried.

The Chairman brought up HB 2146 for discussion. The bill had been tabled but since the Chair brought up the issue there was no need for a motion to remove it from the table. Rep. Matlack moved, Rep. Murphy seconding, that HB 2146 be amended to include the proposed revisions by the Department of Revenue and make the provision apply only to one organization a year and apply only to 2nd and 3rd class cities. (See Attachment E) The motion carried. Rep. Matlack moved, Rep. Sughrue seconding, that HB 2146 be reported favorably for passage as amended. The motion carried.

Rep. Fuller moved, Rep. Peterson seconding, that HB 2530 be reported favorably for passage. Rep. Vancrum made a substitute motion, Rep. Runnels seconding, that on HB 2530, Line 51, Page 2, the word "contains" be stricken and the words "which contain" be inserted. The motion passed. Rep. Vancrum moved, Rep. Vancrum moved, Rep. Peterson seconding, that in subsection (d) tobacco products be added to items for sale. The motion lost. Rep. Ott moved, Rep. Vancrum seconding, that HB 2530 be reported favorably for passage as amended. The motion carried.

The Chairman announced that the bill introduced at the request of the Board of Cosmetology would be heard Monday as well as the two bills passed over, SB 89 and SB 215. He appointed Rep. Runnels to meet with the agency head to get an over-view of the bill. He further advised the Committee that he had many requests for discussion of HB 2523. He stated the bill is not a problem to him and that the Committee seems to have no objection to working the bill. However, Leadership does not want the bill.

The meeting adjourned.

GUEST LIST

FEDERAL & STATE AFFAIRS COMMITTEE

DATE 3-24-83

(PLEASE PRINT)

NAME	ADDRESS	WHO YOU REPRESENT
Dennie Elder	Topeka	KAPC
FRANCIS KASTNER	Topeka	KFDA
Scott Wrighton	Wichita	City of Wichita
WAYNE ISAAC	WICHITA	City of WICHITA
Steve Pucek	Wichita	City of Wichita
Gill Walters	Topeka	Legis. Intern
Carol Bell	Capitol	Secretary of State
Mark Brangal	Topeka	KPBA
Bill	"	KRLDA
Jack Milligan	Topeka	Ks. Assn. of Private Clubs
John Dunbar	Topeka	KWSWA

HOUSE BILL No. 2552

By Committee on Federal and State Affairs

3-18

0016 AN ACT concerning cities; relating to the acquisition and sale of ~~property acquisition and the sale of surplus land~~
0017 surplus land.

0018 *Be it enacted by the Legislature of the State of Kansas:*

0019 Section 1. ^(a) As a complete alternative to any other statutory
0020 authority, the governing body of any city may acquire, for any
0021 public purpose, fee simple title or any lesser degree of title or
0022 interest or rights in land when such land is acquired by purchase,
0023 gift or dedication. The cost of the acquisition of such land may be
0024 financed by the issuance of general obligation bonds or revenue
0025 bonds if the same is authorized by statute. The governing body
0026 may sell real estate acquired in fee title, including but not
0027 limited to land acquired for street and storm water sewer pur-
0028 poses, when such real estate is no longer needed for public
0029 purposes. ~~If the city holds fee simple title to the real estate, the~~
0030 ~~governing body may sell and thereby transfer all rights, title and~~
0031 ~~interest of the city in such real estate.~~

0032 ~~Sec. 2. (a)~~ ^(b) All conveyances of real estate under this section
0033 shall be by deed executed by the governing body of the city. A
0034 record shall be maintained of all such conveyances.

0035 ~~(b) Any real estate sold or easements released under the~~
0036 ~~provisions of this act shall be appraised before sale by three~~
0037 ~~disinterested persons. The sale shall be advertised in a newspa-~~
0038 ~~per of general circulation in the county where the real estate is~~
0039 ~~located once each week for three consecutive weeks prior to the~~
0040 ~~date set for such sale. In no case shall the real estate be sold for~~
0041 ~~less than 2/3 of its appraised fair market value, except that if no~~
0042 ~~sale or release of easement has been effected after an effort to~~
0043 ~~sell under this subsection. The governing body of any city may~~
0044 ~~set aside the appraisal and order a new appraisal and~~

Atch. A

0045 ~~readvertise the real estate for sale.~~

0046 ~~(c) Before the release of any permanent easement, the gov-~~
0047 ~~erning body shall notify the original or underlying fee owners or~~
0048 ~~their heirs or assigns that they may have an option to purchase~~
0049 ~~the property. Such option shall expire if not exercised within a~~
0050 ~~period of six months following notification.~~

0051 ~~(d) The governing body may assess a charge not exceeding~~
0052 ~~the amount of the increase in value accruing to the original or~~
0053 ~~underlying fee owners resulting from the termination of the~~
0054 ~~property interest held by the governing body of the city,~~

0055 **Sec. 3. This act shall take effect and be in force from and**
0056 **after its publication in the Kansas register.**

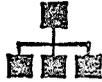
(b) (of Section 2)

permanent easement.

Section 2(a) The governing body of a city may charge an amount in connection with the release of any permanent easement. The amount charged shall not exceed

or the original value paid for the easement by the city, whichever is less, plus reasonable administrative costs.

(c) Cities may charge for the release of a permanent easement only for the real estate which constitutes a buildable site. Buildable sites shall be those sites large enough to allow the building of a structure under the zoning code of the city, pursuant to the appropriate zoning classification.



DEPARTMENT OF ADMINISTRATION
OFFICE OF DIRECTOR
CITY HALL — THIRTEENTH FLOOR
455 NORTH MAIN STREET
WICHITA, KANSAS 67202
(316) 268-4434

Representative Neal Whitaker
Chairman
Committee on Federal and State Affairs
Kansas House of Representatives

Representative Whitaker and Honorable Members of the Committee,

On behalf of the City of Wichita I would like to thank the members of the Committee for affording me this opportunity to testify regarding House Bill 2552 regarding property acquisition and sale of surplus land. I am here today representing the Board of City Commissioners of the City of Wichita which has acted to include disposition of surplus land as an element of its 1983 legislative program.

During the past two years the City of Wichita has undertaken to centralize the various functions of land management. These functions include such activities as land acquisition, relocation of former owners and tenants, demolition of unnecessary structures, temporary management and maintenance. Responsibility for these functions now resides with one organizational unit within the city administrative structure. Another important function now being accomplished is a review of city real property. Although not yet complete, this review has revealed that the city holds title to a great many parcels of land which are no longer needed for the public purpose for which they were originally acquired.

Continued city ownership of these surplus parcels results in three serious consequences:

1. The parcels are nonproductive. They represent nonutilization of a valuable natural resource. There is no return on this land, either to the public or the private sector.
2. The parcels produce no benefit to the public in use or in property tax revenues.
3. The public must sustain a continuing cost to maintain these properties.

THE CITY OF WICHITA

The Board of City Commissioners has directed that the City of Wichita divest itself of land holdings not needed for a public purpose. By disposing of these properties to the private sector the problems enumerated above can be eliminated.

Surplus public land holdings result from two principal causes:

1. The initial purchase may include land not needed for the intended public improvement. There are a variety of reasons for this. Plans may be changed after acquisition has been completed. Funding may be limited resulting in a reduced project scope. It may be necessary to purchase entire tracts because the severed remainder is no longer useful to its previous owner.
2. Subsequent development of the city may render public facilities obsolete. Fire stations may need to be relocated. Streets may need to be realigned.

Attached to your materials you will find three examples. In the first example the property in red was needed for the widening of State Highway K96. Because of severance considerations it was necessary to acquire the entire tract which included the land shown in green. In the second example it was necessary to buy several residences for the realignment of the streets for the McLean, Central, Meridian intersection in Wichita. It was necessary to purchase entire residential properties although only a small part of the land was required for the street improvements. The third example shows land on Emporia Street near Kellogg. This land formerly supported the Emporia exit ramp. The recent improvements to the Kellogg overpass eliminated the Emporia exit and the underlying land became surplus.

Cities are currently empowered to purchase real property to be used for specific public purposes. Even though the public may pay market value for land, it effectively acquires only a permanent easement to use the land for the specified public purpose. Upon cessation of the designated use the city does not hold marketable title to the land.

Two legislative actions are necessary to rectify this situation. Cities need to be given the authority to acquire fee simple title when acquiring land for public purposes. This action will eliminate the problems discussed in the future. Cities also need the authority to dispose of the lands currently held in less than fee, that is, the permanent easements. The City of Wichita has reviewed House Bill 2552 and would like to propose certain revisions. It is felt that House Bill 2552, as revised, would accomplish the two legislative actions needed for the resolution of the problems presented today.

THE CITY OF WICHITA

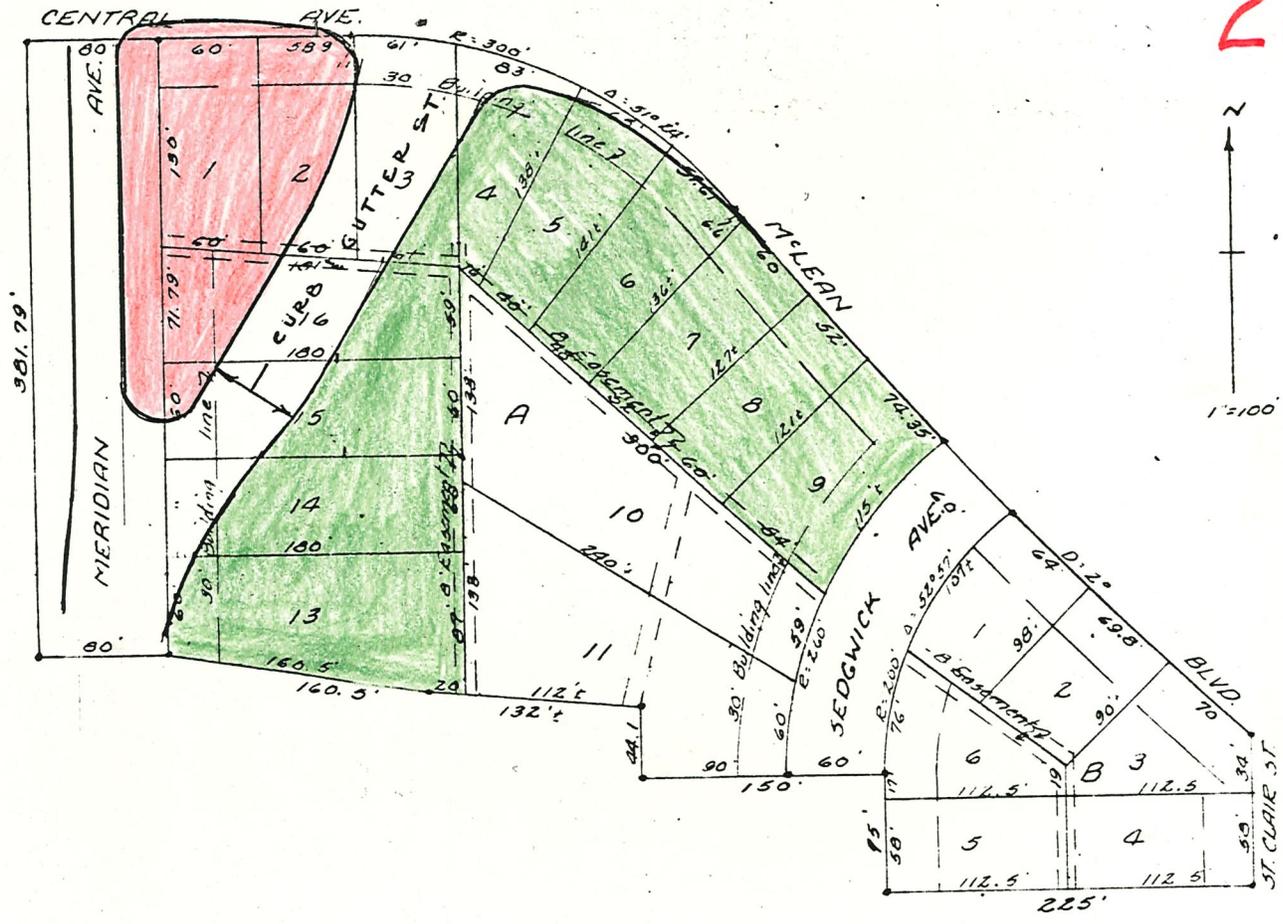
Section 1. would provide authority for cities to acquire fee simple title to land acquired for public purposes, and to sell that land when it is no longer needed by the public.

Section 2. applies to permanent easements currently held by cities. It would provide authority for cities to levy a charge to release the public easement to the original fee owners. The charge would be based upon the increase in value to the property which results from the termination of the city's interest or, alternatively, the original purchase price, whichever is less. This procedure is modeled after that currently used by the Kansas Department of Transportation in disposing of surplus highway rights of way.

Section 2. also limits the properties for which a charge may be levied to sites which are developable under local zoning codes.

I urge your support of House Bill 2552, as revised, and would, once again, like to thank you for this opportunity to testify before the committee.

Wayne E. Isaac
Federal Aid Coordinator
Department of Administration
City of Wichita



Kansas }
Sedgwick } 55

Don C. Moenring, a Civil Engineer in and for said State and County, do hereby certify that I have surveyed and platted the LEMON ADDITION, WICHITA, SEDGWICK COUNTY, KANSAS into Lots, Blocks, and Avenues. The same being accurately shown on the original surveying plat and being described as: All that part of Lot 9 in the Northwest Quarter, Section 12, Township 27 North, Range 1 West of the 6th P.M. lying south of McLean Boulevard and west of St. Clair Street and north of Parkman Addition, Wichita, Sedgwick County, Kansas; and the east 60 feet of the north 381.7 feet of the Northwest Quarter, Section 12, Township 27 South, Range 1 West of the 6th P.M.

Don C. Moenring, C.E.
Don C. Moenring C.E. Consulting Civil Engineer

Now all men by these presents that we the undersigned property owners of the above set forth in the Civil Engineer's plat have caused the same to be surveyed and platted into Lots, Blocks, and Avenues. The same to be known as LEMON ADDITION, WICHITA, SEDGWICK COUNTY, KANSAS. The Avenues are hereby dedicated to and for the use of the public, and easements for the convenience of public utilities as indicated on the accompanying plat are hereby granted.

Clarence M. Lemon

Violet I. Lemon

Kansas }
Sedgwick } 55

It is remembered that on this 31st day of May 1950 before me, a Notary Public in and for said State of Kansas, Clarence M. Lemon and Violet I. Lemon, his wife, to me personally known to be the same persons who executed the foregoing instrument, appeared and acknowledged the same as their voluntary act and deed.

My commission expires Aug. 5, 1953

Mina Rathke

13391

This plat of LEMON ADDITION, WICHITA, SEDGWICK COUNTY, KANSAS, has been submitted to and considered by the City Commission of the City of Wichita, Kansas and is hereby referred to the Board of Commissioners of the City of Wichita, Kansas.

State of Kansas }
County of Sedgwick } 55

3

N. A. ENGLI

3RD. AL

3

Topeka Ave.

Lewis Street

Street

2
4
6
8
10

Clark's Reserve.
11
Bidwell's Reserve

12
tract 38 4
6
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12
14
16

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Emporia Addition S. Ave.

Street ROW.
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19
21
23
25
26

17
19
21
23
25

St. Francis Ave. NOW

Kellogg

+ 80,000 #

0084 available without charge on request to each officer, board, com-
0085 mission, and department of the state having statewide jurisdic-
0086 tion, to each member of the legislature, to each county clerk in
0087 the state, and to the supreme court, court of appeals and each
0088 district court.

0089 (e) The secretary of state shall make copies of the register
0090 available to other persons on payment of a fee to be fixed by the
0091 secretary of state under K.S.A. 1982 Supp. 75-433 and amend-
0092 ments thereto.

0093 Sec. 2. K.S.A. 1982 Supp. 75-430a is hereby amended to read
0094 as follows: 75-430a. (a) Any state agency in the executive branch
0095 of state government authorized by law to negotiate for contracts
0096 for architectural and, engineering, ~~ancillary technical~~, actuarial,
0097 auditing, ~~research or other professional or consult-~~
0098 ~~ing~~ services, other than as an expert witness for the purposes of
0099 litigation, ~~or for contracts for construction, repairs or improve-~~
0100 ~~ments~~, shall publish a notice of the commencement of such

0101 negotiations in the Kansas register at least 15 days prior to the
0102 commencement of such negotiations. ~~This subsection shall not~~
0103 ~~apply to the acquisition of legal services by any state agency in~~
0104 ~~the executive branch or to the acquisition of any services by any~~
0105 ~~state agency in the legislative or judicial branches of state~~
0106 ~~government.~~

0107 (b) Any state agency authorized to negotiate the sale of any
0108 personal property of the state or a state agency, other than to
0109 another state agency, shall publish a notice of the commence-
0110 ment of such negotiations in the Kansas register at least 15 days
0111 prior to the commencement of such negotiations.

0112 (c) Any state agency authorized by law to enter into leases
0113 on real property of the state or a state agency for the production
0114 of oil, natural gas, sand, gravel or any other mineral, or combi-
0115 nation thereof, by competitive bids or other procedures as
0116 authorized by law, shall publish a notice of intention to enter
0117 into a lease for such mineral production in the Kansas register at
0118 least 30 days prior to the bid opening or the commencement of
0119 such other procedure as authorized by law.

0120 (d) Any state agency authorized by law to lease or sell any

ancillary technical services relating to
construction or remodeling projects, or
or

The director of purchases may require a state
agency to publish such a notice for any other
contract that will be negotiated.

or to emergency purchases or services reported
in accordance with K.S.A. 1982 Supp. 75-3739.

This subsection shall not apply to sales of
property obtained pursuant to the federal
property and administrative services act.

A.L.H. B

0121 real property of the state or any state agency or any interest in
0122 such real property, other than to another state agency, shall
0123 publish a notice of intention to lease or sell state real property at
0124 least 30 days prior to commencement of bidding or other pro-
0125 cedure authorized by law. or political subdivision

0126 Sec. 3. K.S.A. 49-417 is hereby amended to read as follows:
0127 49-417. (a) In the reclamation of land affected by surface mining
0128 for which it has funds available, the board may avail itself of any
0129 services which may be provided by other state agencies or by
0130 agencies of the federal government, and may compensate them
0131 for such services. The board may also receive any federal funds,
0132 state funds or any other funds for the reclamation of land affected
0133 by surface mining. The board may cause the reclamation work to
0134 be done by its own employees or by the employees of other
0135 governmental agencies, soil conservation districts, or through
0136 contracts with qualified persons. Such contracts shall be
0137 awarded to the lowest responsible bidder upon competitive bid
0138 after ~~reasonable advertisement~~ advertising for bids in the Kan-
0139 sas register at least 30 days prior to bid opening. The board and
0140 any other agency and any contractor under a contract with the
0141 board shall have the right of access to the land affected to carry
0142 out such reclamation.

0143 (b) Any funds available to the board and any public works
0144 program (both funds and services) may be used and expended to
0145 reclaim and rehabilitate any lands that have been subjected to
0146 surface mining that have not been reclaimed and rehabilitated in
0147 accordance with standards set by this chapter and which are not
0148 covered by bond to guarantee such reclamation.

0149 (c) A person or organization having qualifications acceptable
0150 to the board may post bond or a cash deposit in a sum determined
0151 by the board and assume the liability for carrying out the recla-
0152 mation plan approved by the board in areas where the mining
0153 operation and any necessary grading have been completed. The
0154 board shall then release the bond posted by the operator for such
0155 area.

0156 Sec. 4. K.S.A. 68-408 is hereby amended to read as follows:
0157 68-408. The secretary of transportation, before awarding any

To: House Committee on Federal and State Affairs
From: Mary Torrence, Assistant Revisor of Statutes
Re: Bill on farm wineries

Basically, this draft provides for licensure of wineries to manufacture and sell wine to:

- (1) Consumers for off-premise consumption;
- (2) licensed liquor distributors; and
- (3) non-beverage users.

It also permits the winery to serve free samples of its wine on its premises.

If the winery sells only to consumers, it must qualify as a liquor retailer and pay retailer license fees and any local fee imposed on retailers by the city or township where the winery is located.

If the winery sells to distributors, it must qualify as both a manufacturer and a retailer and must pay the same license fee as a wine manufacturer. (If the winery only manufactures and sells to distributors, it can currently be licensed as a manufacturer.)

The wine manufactured by a winery is subject to the gallonage tax (as is all liquor) and sales to consumers are subject to the liquor enforcement tax, as are other retail liquor sales.

A. L. C.

AN ACT concerning alcoholic liquor; relating to licensure and regulation of certain wineries; permitting certain sales of wine by those wineries; imposing certain taxes on the production and retail sale of wine by those wineries; amending K.S.A. 41-102, 41-304, 41-310, 41-312, 41-313, 41-316, 41-317, 41-319, 41-320, 41-501, 41-601, 41-602, 41-710, 41-714, 41-717, 41-718, 41-719, 41-803, 41-901, 41-1101, 79-4101, 79-4102, 79-4103, 79-4104 and 79-4107 and K.S.A. 1982 Supp. 41-311 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 41-102 is hereby amended to read as follows: 41-102. As used in this act, unless the context clearly requires otherwise:

(1) (a) "Alcohol" means the product of distillation of any fermented liquid, whether rectified or diluted, whatever the its origin ~~thereof~~, and includes synthetic ethyl alcohol but does not include denatured alcohol or wood alcohol.

(2) (b) "Alcoholic liquor" means alcohol, spirits, wine, beer, and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by a human being, but shall not include any beer or cereal malt beverage containing not more than ~~three--and~~ ~~two-tenths-percent-(3.2%)~~ 3.2% alcohol by weight.

(3) (c) "Beer," when its meaning is not enlarged, modified, or limited by other words, means a beverage, containing more than ~~three-and-two-tenths--percent--(3.2%)~~ 3.2% alcohol by weight, obtained by alcoholic fermentation of an infusion or concoction of barley, or other grain, malt and hops in water and includes beer, ale, stout, lager beer, porter and similar beverages having

A. G. D.

such alcoholic content.

~~(4) "Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whisky, gin or other spiritous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.~~

~~(5) "Wine" means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits or berries, or other agricultural products, including such beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies.~~

(6) (d) "Board" means the state alcoholic beverage control board of review created by this act.

(7) (e) "Director" means the director of alcoholic beverage control of the department of revenue.

(8) (f) "Distributor" means the person importing or causing to be imported into the state, or purchasing or causing to be purchased within the state, alcoholic liquor for sale or resale to retailers licensed under this act.

(g) "Domestic table wine" means wine which contains not more than 14% alcohol by volume and which, except as authorized by section 3, is manufactured without rectification or fortification from agricultural products grown in this state.

(h) "Farm winery" means a winery licensed by the director to manufacture, store and sell domestic table wine.

(9) (i) "Manufacture" means to distill, rectify, ferment, brew, make, mix, concoct, process, blend, bottle or fill an original package with any alcoholic liquor, or with beer regardless of its alcoholic content, and includes blending.

(10) (j) (1) "Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler or person who fills or refills an original package and others engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquors as above defined or beer regardless of its alcoholic content.

(2) "Manufacturer" does not include a farm winery.

~~(11)~~ (k) "Minor" means any person under ~~twenty-one~~ ~~(21)~~ 21 years of age.

~~(12)~~ (l) "Nonbeverage user" means ~~every~~ any manufacturer of any of the products set forth and described in K.S.A. 41-501 and amendments thereto, when the ~~same--contains~~ products contain alcohol or wine, and all laboratories using alcohol for nonbeverage purposes.

~~(13)~~ (m) "Original package" means any bottle, flask, jug, can, cask, barrel, keg, hogshead or other receptacle or container whatsoever, used, corked or capped, sealed and labeled by the manufacturer of alcoholic liquor, to contain and to convey any alcoholic liquor.

~~(14)~~ (n) "Person" means any natural person, corporation, partnership or association.

~~(15)~~ (o) "Primary American source of supply" means the manufacturer, the owner of alcoholic liquor at the time it becomes a marketable product or ~~any-such~~ the manufacturer's or owner's exclusive agent who, if the alcoholic liquor cannot be secured directly from such manufacturer or owner by American wholesalers, is the source closest to such manufacturer or owner in the channel of commerce from which the product can be secured by American wholesalers.

~~(16)~~ (p) "Retailer" means a person who sells at retail, or offers for sale at retail, alcoholic liquors.

~~(17)~~ (q) "Sale" means any transfer, exchange or barter in any manner or by any means whatsoever for a consideration and includes all sales made by any person, whether principal, proprietor, agent, servant or employee.

~~(18)~~ (r) (1) "Sell at retail" and "sale at retail" refer to and mean sales for use or consumption and not for resale in any form and sales to clubs licensed pursuant to article 26 of chapter 41 of the Kansas Statutes Annotated.

(2) "Sell at retail" and "sale at retail" do not refer to or mean sales by a farm winery or by a club licensed pursuant to

article 26 of chapter 41 of the Kansas Statutes Annotated.

~~(19)~~ (s) "To sell" includes to solicit or receive an order for, to keep or expose for sale and to keep with intent to sell.

(t) "Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whiskey, gin or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

(u) "wine" means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits, berries or other agricultural products, including such beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies.

Sec. 2. K.S.A. 41-304 is hereby amended to read as follows:
41-304. Licenses issued by the director shall be of the following classes: ~~(1)~~ (a) Manufacturer's license; ~~(2)~~ (b) alcoholic liquor distributor's license (except beer); ~~(3)~~ (c) beer distributor's license; ~~(4)~~ (d) retailer's license; (e) farm winery license; and ~~(5)~~ (f) nonbeverage user's license.

New Sec. 3. (a) A farm winery license shall allow the manufacture, storage and sale of domestic table wine in an amount not exceeding 50,000 gallons in any one license year. The license shall allow sales: (1) On the licensed premises of the winery, in the original unopened container, to consumers for consumption off the licensed premises; (2) to licensed distributors; and (3) to licensed nonbeverage users. A farm winery license shall also allow the licensee to serve, on the licensed premises, complimentary samples of the domestic table wines sold by the winery.

(b) The director may authorize a farm winery to use agricultural products grown outside this state for manufacturing the winery's domestic table wine if the farm winery files with the director an affidavit stating that the products to be imported are not available in this state.

(c) If a farm winery sells wine to any distributor, the

farm winery shall be required to comply with all provisions of article 4 of chapter 41 of the Kansas Statutes Annotated and of K.S.A. 41-701 through 41-705 and 41-709, and amendments thereto, in the same manner and subject to the same penalties as a manufacturer.

(d) A farm winery may sell wine to consumers on Monday through Saturday between 6:00 a.m. and midnight and on Sunday between noon and 6:00 p.m.

(e) A farm winery license shall apply only to the premises described in the application and in the license issued and only one location shall be described in the license.

(f) No farm winery shall employ any person in connection with the manufacture, sale or sampling of wine if the person: (1) Is less than 21 years of age; or (2) has been convicted of a felony.

(g) Whenever a farm winery licensee is convicted of a violation of the Kansas liquor control act, the director may revoke the licensee's license and all fees paid for the license, after a hearing before the director for that purpose.

(h) This section shall be part of and supplemental to the Kansas liquor control act.

Sec. 4. K.S.A. 41-310 is hereby amended to read as follows: 41-310. (a) At the time application is made to the director for a license of any class, the applicant shall pay the fee hereinafter provided by this section.

(b) The annual fees for ~~annual licenses finally issued by the director shall be as follows:~~ (1) for a license to manufacture alcohol and spirits ~~.....~~ shall be \$2,500.

~~(2)~~ (c) The annual fee for a license to manufacture beer and ~~wine~~ ~~As Beer~~ (regardless of alcoholic content) shall be:

~~(1)~~ (1) For 1 to 100 barrel daily capacity or any part thereof ~~.....~~, \$200.

~~(2)~~ (2) For 100 to 150 barrel daily capacity ~~.....~~, \$400.

~~(3)~~ (3) For 150 to 200 barrel daily capacity ~~.....~~, \$700.

- ~~(d)~~ (4) For 200 to 300 barrel daily capacity ~~-----~~, \$1,000.
- ~~(e)~~ (5) For 300 to 400 barrel daily capacity ~~-----~~, \$1,300.
- ~~(f)~~ (6) For 400 to 500 barrel daily capacity ~~-----~~, \$1,400.
- ~~(g)~~ (7) For 500 or more barrel daily capacity ~~-----~~, \$1,600.

~~Es--wines-----500.00~~

Provided, That the words

As used in this subsection, "daily capacity" as used herein shall mean means the average daily barrel production for the previous ~~twelve--(12)~~ 12 months of manufacturing operation ~~And provided further, That if no such.~~ If no basis for comparison exists, the manufacturing licensee shall pay in advance for the first year's operation a fee of ~~one thousand dollars--(\$1,000)~~ \$1,000.

(d) The annual fee for a license to manufacture wine shall be \$500.

(e) the annual fee for a farm winery license shall be \$500, if the winery sells any wine to a distributor.

~~(3)--Alcoholic--liquor~~ (f) The annual fee for a distributor's license for the first and each additional distributing place of business operated in this state by the same licensee and wholesaling and jobbing alcoholic liquors, except beer ----- shall be \$1,250.

~~(4)~~ (g) The annual fee for a beer distributor's license, for the first and each additional wholesale distributing place of business operated in this state by the same licensee and wholesaling or jobbing beer, containing more than 3.2 percent of alcohol by weight, only----- shall be \$150.

~~(5)--For-retailers' license--Alcoholic-liquors--(including beer--containing more than 3.2 percent of alcohol by weight)--for consumption off the premises--(sales in the original packages only)-----100.00~~

Provided, That in addition to such license fees any city in which such licensed premises are located shall levy and collect an annual occupation or license tax on such retailer in an amount not less than one hundred dollars--(\$100)--nor more than three

~~hundred dollars (\$300); but no other occupational or excise tax or license fee shall be levied by any city against or collected from such retail licensee: Provided further That in addition to such license fee, any township having a population of more than 11,000 in which the licensed premises are located, if such premises are located outside of an incorporated city, shall levy and collect an annual occupation or license tax on such retailer in an amount not less than one hundred dollars (\$100) nor more than three hundred dollars (\$300), and the township board of such township is hereby authorized to fix and impose such occupation or license tax; and said tax shall be paid by the retail licensee to the township treasurer who shall issue a receipt therefor to such licensee and the township treasurer shall place or cause to be placed the tax so paid in the general fund of the township.~~

~~(6) (h) The annual fee for a nonbeverage user's license shall be:~~

- ~~(1) For class 1, \$10.~~
- ~~(2) for class 2, \$50.~~
- ~~(3) for class 3, \$100.~~
- ~~(4) for class 4, \$200.~~
- ~~(5) for class 5, \$500.~~

~~(i) In addition to the license fees prescribed by subsections ~~(1)~~, ~~(2)~~, ~~(3)~~, ~~(4)~~ and ~~(6)~~ of this section, (b) through (h):~~

~~(1) Any city in which such the licensed premises are located may levy and collect an annual occupation or license tax on such licensees in an amount which shall not exceed the licensee in an amount not exceeding the amount of the annual license fee required to be paid under this act to obtain such the license, but no city shall impose an occupation or privilege tax on any such the licensee in excess of such that amount; in addition to the license fees prescribed by subsection ~~(1)~~, ~~(2)~~, ~~(3)~~, ~~(4)~~ and ~~(6)~~ of this section; and~~

~~(2) any township having a population of more than 11,000 in which such the licensed premises are located, if such the~~

premises are located outside an incorporated city, may levy and collect an annual occupation or license tax on ~~such licensees in an amount which shall not exceed~~ the licensee in an amount not exceeding the amount of the annual license fee required to be paid under this act to obtain ~~such~~ the license, but no ~~such~~ township shall impose an occupation or privilege tax on ~~any such~~ the licensee in excess of ~~such~~ that amount; the township board of ~~any such~~ the township is hereby authorized to fix and impose ~~such occupation or license~~ the tax and ~~said~~ the tax shall be paid by the licensee to the township treasurer, who shall issue a receipt therefor to ~~such~~ the licensee and ~~the township treasurer shall~~ place or cause shall cause the tax paid to be placed ~~the tax so~~ paid in the general fund of the township.

(j) The annual fee for a retailer's license shall be \$100.

(k) The annual fee for a farm winery license shall be \$100, if the winery sells only to consumers.

(l) In addition to the license fees prescribed by subsections (j) and (k):

(1) Any city in which the licensed premises are located shall levy and collect an annual occupation or license tax on the licensee in an amount not less than \$100 or more than \$300, but no other occupation or excise tax or license fee shall be levied by any city against or collected from the licensee; and

(2) any township having a population of more than 11,000 in which the licensed premises are located, if located outside any incorporated city, shall levy and collect an annual occupation or license tax on the licensee in an amount not less than \$100 or more than \$300; the township board of the township is authorized to fix and impose the tax and the tax shall be paid by the licensee to the township treasurer, who shall issue a receipt therefor to the licensee and shall cause the tax paid to be placed in the general fund of the township.

(m) The license year for all licenses a license shall commence on the ~~day the same~~ date the license is issued by the director and shall end one year ~~thereafter~~ after that date.

Sec. 5. K.S.A. 1982 Supp. 41-311 is hereby amended to read as follows: 41-311. (a) No license of any kind shall be issued to a person:

(1) Who has not been a citizen of the United States for at least 10 years.

(2) Who has been convicted of or has pleaded guilty to a felony under the laws of this state, any other state or the United States.

(3) Who has been convicted of or has pleaded guilty to a violation of intoxicating liquor laws of any state or the alcoholic beverage control laws of the United States or has forfeited bond to appear in court to answer charges for any such violation, within the 10 years immediately prior to the date of the person's application for a license.

(4) Who has been convicted of or has pleaded guilty to a violation of any of the laws of any state relating to cereal malt beverages, within 10 years immediately prior to the date of the person's application for a license.

(5) Who has had a license revoked for cause under the provisions of this act or who has had any license issued under the cereal malt beverage laws of any state revoked for cause except that a license may be issued to a person whose license was revoked for the conviction of a misdemeanor at any time after the lapse of 10 years following the date of the revocation.

(6) Who has been convicted of or has pleaded guilty to being the keeper or is keeping a house of prostitution or has forfeited bond to appear in court to answer charges of being a keeper of a house of prostitution.

(7) Who has been convicted of or has pleaded guilty to being a proprietor of a gambling house, pandering or any other crime opposed to decency and morality or has forfeited bond to appear in court to answer charges for any of those crimes.

~~(8) Who is not at least 21 years of age.~~

(9) Who appoints or is a law enforcement official or who is an employee of the director or the board.

(10) Who intends to carry on the business authorized by the license as agent of another.

(11) Who at the time of application for renewal of any license issued under this act would not be eligible for the license upon a first application.

(12) Who is the holder of a valid and existing license issued under the laws of this state relating to cereal malt beverages and malt products unless the person agrees to and does surrender the license to the officer issuing the same upon the issuance to the person of a license under this act, except that a holder of a cereal malt beverages wholesaler's license shall be eligible to receive a beer distributor's license under this act.

(13) Who does not own the premises for which a license is sought, or does not have a written lease thereon for at least 3/4 of the period for which the license is to be issued.

(14) Whose spouse would be ineligible to receive a license under this act for any reason other than citizenship and residence requirements or age.

(b) No retailer's or farm winery license shall be issued to a:

(1) Person who is not a resident of the county in which the premises sought to be licensed are located.

(2) Person who has not been, for at least five years immediately preceding the date of application, a resident of the county in which the premises covered by the license are located or a person who has not been a resident of this state for a total of at least 10 years preceding the date of application, except that, if the premises sought to be licensed are located in a city which is located in two or more counties and the applicant for license is a resident of either county, the applicant shall be deemed to be a resident of each county for the purpose of qualification.

(3) ~~Person who has beneficial interest in the manufacture,~~ preparation or wholesaling of alcoholic beverages.

(4) Person or copartnership or association who has

beneficial interest in any other retail establishment licensed under this act.

(5) Copartnership, unless all of the copartners are qualified to obtain a license.

(b) Corporation.

(c) No manufacturer's license or farm winery license, if the winery sells any wine to a distributor, shall be issued to:

(1) A corporation, if any officer, manager or director thereof, or any stockholder owning in the aggregate more than 25% of the stock of the corporation would be ineligible to receive a manufacturer's license for any reason other than citizenship and residence requirements.

(2) A copartnership, unless all of the copartners shall have been residents of this state for at least five years immediately preceding the date of application and unless all the members of the copartnership would be eligible to receive a manufacturer's license under this act.

(3) An individual who has not been a resident of this state for at least five years immediately preceding the date of application.

(d) No distributor's license shall be issued to:

(1) A corporation, if any officer, manager, director or stockholder of the corporation would be ineligible to receive a distributor's license for any reason. It shall be unlawful for any stockholder of a corporation licensed as a distributor to transfer any stock in the corporation to any person who would be ineligible to receive a distributor's license for any reason, and any such transfer shall be null and void, except that: (A) If any stockholder owning stock in the corporation dies and an heir or devisee to whom stock of the corporation descends by descent and distribution or by will is ineligible to receive a distributor's license, the legal representatives of the deceased stockholder's estate and the ineligible heir or devisee shall have 14 months from the date of the death of the stockholder within which to sell the stock to a person eligible to receive a distributor's

license, any such sale by a legal representative to be made in accordance with the provisions of the probate code; or (B) if the stock in any such corporation is the subject of any trust and any trustee or beneficiary of the trust who is 21 years of age or older is ineligible to receive a distributor's license, the trustee, within 14 months after the effective date of the trust, shall sell the stock to a person eligible to receive a distributor's license and hold and disburse the proceeds in accordance with the terms of the trust. If any legal representatives, heirs, devisees or trustees fail, refuse or neglect to sell any stock as required by this subsection, the stock shall revert to and become the property of the corporation, and the corporation shall pay to the legal representatives, heirs, devisees or trustees the book value of the stock. During the period of 14 months prescribed by this subsection, the corporation shall not be denied a distributor's license or have its distributor's license revoked if the corporation meets all of the other requirements necessary to have a distributor's license.

(2) A copartnership, unless all of the copartners are eligible to receive a distributor's license.

(3) An individual who has not been a resident of this state for at least 10 years immediately preceding the date of application, except that:

(A) A wholesaler of cereal malt beverages properly licensed on September 1, 1948, shall be eligible for a beer distributor's license; and

(B) a person who has been a resident of the state for at least five years immediately preceding the date of application shall be eligible for a beer distributor's license.

(e) No nonbeverage user's license shall be issued to a corporation, if any officer, manager or director of the corporation or any stockholder owning in the aggregate more than 25% of the stock of the corporation would be ineligible to receive a nonbeverage user's license for any reason other than citizenship and residence requirements.

Sec. 6. K.S.A. 41-312 is hereby amended to read as follows:

41-312. No person holding a manufacturer's or distributor's license shall be permitted to receive any retailer's or farm winery license. No person holding a retailer's or farm winery license shall be permitted to receive any manufacturer's or distributor's license or another retailer's or farm winery license.

Sec. 7. K.S.A. 41-313 is hereby amended to read as follows:

41-313. No corporation, either organized under the laws of this state ~~or~~ any other state ~~or~~ a foreign country, shall be issued a manufacturer's ~~or~~ distributor's or farm winery license ~~provided for in this act~~ unless ~~such~~ the corporation ~~shall~~ has first procured a certificate of authority from the secretary of state to do business in this state as provided by law and ~~shall~~ has first appointed a citizen of the United States, and resident of Kansas, as its agent, and ~~shall~~ has filed with the director a duly authenticated copy of a duly executed power of attorney, authorizing ~~such~~ the agent to accept service of process from the director, the board and the courts of this state, and ~~authorizing such agent~~ to exercise full authority of ~~such~~ the corporation, and full authority, control, and responsibility for the conduct of all business and transactions of the corporation within the state relative to alcoholic liquor and the business licensed. ~~Such~~ The agent must be satisfactory to and approved by the director with respect to ~~his~~ the agent's character. ~~Such an~~ The agent shall at all times be maintained by ~~such~~ the corporation.

~~All corporations~~ In addition, any corporation organized under the laws of any other state or foreign country ~~shall~~, as a condition precedent to the issuance to it of any license, ~~in addition~~ shall file with the secretary of state of the state of Kansas, a duly authorized and executed power of attorney, ~~authorizing the secretary of state to accept service of process~~ from the director, the board and the courts of this state, and to accept service of any notice or order provided for in this act,

and all of such acts by the secretary of state shall be fully binding upon the corporation.

Sec. 8. K.S.A. 41-316 is hereby amended to read as follows:

41-316. Licenses to manufacturers, distributors, farm wineries and nonbeverage users of alcoholic liquors shall be issued and renewed by the director to qualified applicants upon written application, ~~upon~~ receipt of bond properly executed ~~upon and~~ payment in advance of the state registration fee and the license fee.

Sec. 9. K.S.A. 41-317 is hereby amended to read as follows:

41-317. (a) Applications for all licenses under this act shall be upon forms prescribed and furnished by the director and shall be filed with the director in duplicate ~~and~~. Each application shall be accompanied ~~in each instance~~ by a state registration fee of ~~fifty dollars (\$50)~~ \$50 for each initial application and ~~ten dollars (\$10)~~ \$10 for each renewal application to defray the cost of preparing and furnishing standard forms incident to the administration of this act and the cost of processing ~~such the~~ application ~~together with~~. Each application shall also be accompanied by a deposit of a certified or cashier's check of a bank within this state, United States post-office money order or cash in the full amount of the license fee required to be paid for the kind of license applied for, which license fee shall be returned to ~~such the~~ applicant if ~~such the~~ application is denied. All registration fees shall be paid into the state treasury by the director and shall be credited ~~by the state treasurer~~ to the state general fund ~~of the state~~. All license fees received by the director ~~for licenses issued pertaining to alcoholic liquors~~, including fees received for ~~a license~~ licenses to manufacture beer, regardless of its alcoholic content, shall be paid into the state treasury by the director and ~~the state treasurer shall credit the same~~ shall be credited to the state general fund of ~~the state~~.

(b) Every applicant for a manufacturer's, alcoholic liquor distributor's, beer distributor's, nonbeverage user's, farm

winery or retailer's license shall file with ~~his~~ the application a joint and several bond on such a form as may hereafter be determined prescribed by the director, and executed by good and sufficient corporate sureties licensed to do business within the state of Kansas, to the director, in the following amounts:
~~Twenty-five-thousand-dollars-(\$25,000)~~

(1) For a manufacturer or a farm winery which sells any wine to a distributor, \$25,000;

(2) ~~fifteen-thousand-dollars-(\$15,000)~~ for an alcoholic liquor distributor, \$15,000;

(3) ~~and two-thousand-dollars-(\$2,000) for a beer distributor and for a retail liquor dealer~~ for a beer distributor, a retailer or a farm winery which sells only to consumers, \$2,000; and

(4) for nonbeverage users: ~~class 1, two-hundred-dollars (\$200); class 2, five-hundred-dollars (\$500); class 3, one thousand-dollars (\$1,000); class 4, five-thousand-dollars (\$5,000); class 5, ten-thousand-dollars (\$10,000)~~, \$200 for class 1, \$500 for class 2, \$1,000 for class 3, \$5,000 for class 4 and \$10,000 for class 5.

(c) All bonds required by this section shall be conditioned that ~~the licensee will comply~~ on the licensee's compliance with the provisions of this act and that payment of all taxes, fines and forfeitures which may be assessed against ~~such~~ the licensee ~~will be paid~~.

Sec. 10. K.S.A. 41-319 is hereby amended to read as follows: 41-319. Within ~~thirty- (30)~~ 30 days after an application is filed for a retailer's or farm winery license and within ~~twenty- (20)~~ 20 days after an application is filed for a manufacturer's, distributor's or nonbeverage user's license, the director shall enter an order either refusing or granting ~~such~~ the license, ~~and~~. If the director does not enter ~~such~~ an order within the time ~~hereinbefore~~ prescribed, ~~such~~ the license applied for shall be deemed to have been refused, and the person applying ~~therefor~~ for the license may appeal to the board, the

district court and the supreme court in ~~like~~ the manner as provided ~~in~~ by this act for appeals from orders of the director refusing a license ~~---Provided---That~~. The director, with the written consent of the applicant for a license, may delay entering ~~his~~ an order on ~~such~~ an application for an additional period of not to exceed ~~thirty (30)~~ 30 days ~~---Provided---further~~ ~~That---the---provisions---of---this---section---shall---not---apply---to---any~~ ~~applications---for---a---retailer's---license---made---prior---to---August---17~~ ~~1949~~.

Sec. 11. K.S.A. 41-320 is hereby amended to read as follows: 41-320. (a) All proceedings for the suspension and revocation of licenses of manufacturers, distributors, retailers, farm wineries and nonbeverage users, shall be before the director, and the proceedings shall be in accordance with rules and regulations ~~which---shall---be---established~~ adopted by the director not inconsistent with law. Except as provided in subsection (b), no ~~such~~ license shall be ~~so~~ suspended or revoked except after a hearing by the director with reasonable notice to the licensee and an opportunity to appear and defend ~~---Provided---that~~.

(b) When proceedings for the suspension or revocation of a distributor's license are filed and ~~said~~ the distributor has been issued more than one license for distributing places of business in this state, any order of the director suspending or revoking the license at any one place of business shall suspend or revoke all licenses issued to ~~any---such~~ the distributor ~~---Provided~~ ~~further~~ ~~---That~~. When one person is the holder of stock in two or more corporations licensed as distributors under the provisions of this act, any order of the director suspending or revoking the license of any such corporation shall operate as a suspension or revocation of the license of all corporations licensed as distributors in which ~~said~~ the person is a stockholder.

Sec. 12. K.S.A. 41-501 is hereby amended to read as follows: 41-501. ~~(+)~~ (a) As used in this section and K.S.A. 41-501a:

~~(a)~~ The word (1) "Gallon" means "wine gallon," ~~and (b) the term~~

(2) "Federal area" means any lands or premises which are located within the exterior boundaries of this state and which are held or acquired by or for the use of the United States or any department, establishment, or agency of the United States.

~~(2)~~ ~~(a)~~ (b) (1) For the purpose of raising revenue a tax is imposed upon the manufacturing, using, selling, storing or purchasing alcoholic liquors in this state or a federal area at a rate of ~~eighteen--cents--(18¢)~~ \$.18 per gallon on all beer containing more than ~~3.2--percent--of~~ 3.2% alcohol by weight; ~~thirty--cents--(36¢)~~ \$.30 per gallon for wine containing ~~fourteen percent~~ 14% or less of alcohol by volume; ~~seventy-five--cents~~ ~~(75¢)~~ \$.75 per gallon for wine containing more than ~~fourteen percent--of~~ 14% alcohol by volume; and ~~two--dollars--fifty--cents~~ ~~(2.50)~~ \$2.50 per gallon on alcohol and spirits. ~~(b) said~~

(2) The tax imposed by this section shall be paid only once, and shall be paid by the person in this state or federal area who first manufactures, uses, sells, stores, purchases, or receives such the alcoholic liquors, ~~and. The tax~~ shall be collected and paid to the director as provided in this act. If such the alcoholic liquor is manufactured and sold in this state or a federal area, such the tax shall be paid by the manufacturer or farm winery producing it. If such the alcoholic liquor is imported into this state by a distributor for the purpose of sale at wholesale in this state or a federal area, such the tax shall be paid by ~~said the~~ distributor.

~~(3)~~ (c) Manufacturers, farm wineries or distributors at wholesale of alcoholic liquors shall be exempt from the payment of such the gallonage tax imposed on such alcoholic liquors, upon satisfactory proof, including bills of lading furnished to the director by affidavit or otherwise as the director ~~may--require~~ requires, that such the liquors were manufactured in this state but were shipped out of the state for sale and consumption outside the state of Kansas.

~~(4)~~ (d) wines manufactured or imported solely and exclusively for sacramental purposes and uses shall not be subject to the tax provided in this section.

~~(5)~~ (e) The tax provided for by this section is not imposed upon:

(1) Any alcohol or wine, whether manufactured in or imported into this state, when sold to a "nonbeverage user," ~~as defined in K.S.A. 41-102 or any amendment thereto~~ licensed by the state, for use in the manufacture of any of the following when they are unfit for beverage purposes: Patent and proprietary medicines and medicinal, antiseptic, and toilet preparations; flavoring extracts and syrups and food products; scientific, industrial and chemical products; or ~~for~~ scientific, chemical, experimental or mechanical purposes; ~~nor is the tax imposed upon~~ or

(2) the privilege of engaging in any business of interstate commerce or otherwise, which business may not, ~~under the constitution and statutes of the United States,~~ be made the subject of taxation by this state under the constitution and statutes of the United States.

~~(6)~~ (f) The tax imposed by this section shall be in addition to all other taxes imposed by the state of Kansas or by any municipal corporation or political subdivision thereof.

(g) Retail sales of alcoholic liquor and beer and sales of wine to consumers by farm wineries shall not be subject to the tax imposed by the Kansas retailers' sales tax act but shall be subject to the enforcement tax provided for in this act.

(h) Notwithstanding any ordinance to the contrary, no city shall impose an occupation or privilege tax on the business of any person, firm or corporation licensed as a manufacturer, distributor, farm winery, retailer or nonbeverage user under this act and doing business within the boundaries of ~~such city in any sum which exceeds the amount of the license fee required to be paid under this act to obtain such license; nor shall any city impose an occupation or privilege tax on any retailer licensed~~

~~under this act in an amount in excess of the maximum amount specifically provided in this act~~ the city except as specifically authorized by K.S.A. 41-310 and amendments thereto.

~~(7) (i)~~ (i) The director is hereby directed and authorized to shall collect the taxes herein imposed by this section and to shall account for and turn over to the state treasurer at least once each week all money moneys collected ~~as herein provided and from the tax.~~ The state treasurer shall credit ~~one-tenth (1/10)~~ 1/10 of the moneys collected from taxes imposed ~~upon alcohol and spirits under the provisions of subsection (2) (a) of~~ under this section to the community alcoholism and intoxication programs fund created by K.S.A. 41-1126 and amendments thereto and shall credit the balance of the moneys collected to the state general fund ~~of the state.~~

~~(8) (j)~~ (j) If any alcoholic liquor manufactured in or imported into this state is sold to a licensed manufacturer or distributor of this state to be used solely as an ingredient in the manufacture of any beverage for human consumption, the tax imposed upon ~~such~~ the manufacturer or distributor shall be reduced by the amount of the taxes which have been paid under this section as to ~~such~~ the alcoholic liquor so used ~~under this act.~~

~~(9) (k)~~ (k) The tax provided for by this section is not imposed upon alcohol or wine used by any school or college for scientific, chemical, experimental or mechanical purposes or by hospitals, sanatoria or other institutions caring for the sick. Any school, college, hospital, sanatorium or other institution caring for the sick may import alcohol or wine for scientific, chemical, experimental, mechanical or medicinal purposes by making application to the director for a permit to import ~~the same~~ it and receiving such a permit. Application for ~~such~~ the permit shall be on a form prescribed and furnished by the director, and a separate permit shall be required for each purchase of alcohol or wine. A fee of ~~two dollars (\$2)~~ \$2 shall accompany each application. All permits shall be issued in

triplicate to the applicant and shall be under the seal of the office of the director. Two ~~(2)~~ copies of ~~such~~ the permit shall be forwarded by the applicant to the farm winery, manufacturer or distributor from which ~~said~~ the alcohol or wine is purchased, and ~~said~~ the farm winery, manufacturer or distributor shall return to the office of the director one ~~(1)~~ copy of ~~said~~ the permit with its shipping affidavit and invoice. Within ~~ten-(10)~~ 10 days after receipt of any alcohol or wine, the school, college, hospital or sanatorium ordering ~~the-same~~ it shall file a report in the office of the director upon forms furnished by the director, showing ~~thereon~~ the amount of alcohol or wine received, the place where it is to be stored, from whom it was received, the purpose for which it is to be used, and such other information as ~~may-be~~ required by the director. Any ~~such~~ school, college, hospital, sanatorium or institution caring for the sick ~~complying, which~~ with the provisions of this subsection, shall not be required to have any other license to purchase alcohol or wine from a farm winery, manufacturer or distributor.

Sec. 13. K.S.A. 41-601 is hereby amended to read as follows: 41-601. Every manufacturer ~~and~~, distributor and farm winery which sells any wine to a distributor at wholesale shall between the ~~first-and-fifteenth~~ 1st and 15th day of each calendar month, make return under oath to the director of all alcoholic liquor manufactured and sold by ~~him~~ the manufacturer, distributor or farm winery in the course of ~~such~~ business during the preceding calendar month ~~and~~. In the case of a distributor, ~~such~~ the return shall also show: ~~(1)~~ (a) The total amount of liquor purchased by ~~him~~ the distributor during ~~said~~ the preceding calendar month ~~and~~, the names of the distillers or distributors from whom purchased ~~and~~, the quantity of each brand ~~including and~~ the price paid therefor; and ~~(2)~~ (b) the names and locations of the retailers to whom alcoholic liquors were sold by ~~him~~ the distributor during the preceding calendar month, ~~the quantity of~~ each brand and the price charged therefor. ~~Such~~ The return shall be made upon forms prescribed and furnished by the director and

shall contain such other information as the director ~~may~~ reasonably ~~require~~ requires.

Sec. 14. K.S.A. 41-602 is hereby amended to read as follows: 41-602. It is the duty of each manufacturer ~~and~~, distributor ~~at-wholesale~~ or farm winery which sells any wine to a distributor to keep complete and accurate records of all sales of liquor, wine, or beer and complete and accurate records of all such alcoholic liquors produced, manufactured, compounded or imported. The director ~~may-in-his~~, in the director's discretion, may prescribe reasonable and uniform methods for keeping such records by manufacturers ~~and~~, distributors ~~at-wholesale~~ and farm wineries as contemplated by K.S.A. 41-401 ~~to through~~ 41-409, and amendments thereto.

Sec. 15. K.S.A. 41-710 is hereby amended to read as follows: 41-710. No retailer's or farm winery license shall be issued for ~~the sale at retail of any alcoholic liquor on~~ premises which:

~~(1)~~ (a) Are located in areas not zoned for general commercial or business purposes, if the city or township in which the premises are located is zoned ~~---Provided---That~~ or are not approved by the director, if the premises sought to be licensed are located outside of an incorporated city in a township which is not zoned ~~the location of such premises shall be subject to the approval of the director;~~

~~(2)~~ (b) are located within ~~two hundred (200)~~ 200 feet of any public or parochial school or college or church ~~---Provided---~~ except that if any such school, college or church ~~shall--be~~ is established within ~~two--hundred~~ 200 feet of any licensed ~~retail~~ premises after such the premises have been licensed, ~~then--such~~ the premises shall be an eligible location for retail licensing; and

~~(3)~~ (c) do not conform to the building ordinances or laws of the state or city, or, in the absence of such ordinances or laws, are not structurally in good condition or are in a dilapidated condition.

Sec. 16. K.S.A. 41-714 is hereby amended to read as follows: 41-714. (a) It shall be unlawful for:

(1) ~~For~~ Any person to advertise any alcoholic liquor by means of handbills;

(2) ~~for~~ any person to advertise any alcoholic liquor by means of ~~billboards~~ billboards along public highways, roads and streets, or for any owner or occupant of any property to permit any billboard advertising alcoholic liquor to remain on ~~such~~ the property;

(3) ~~for~~ any retailer of alcoholic liquor to have ~~more than one~~ any sign on the licensed premises ~~and said one sign shall contain nothing except the license number, the name of the retail dealer and the words "Retail Liquor Store" and no letter or figure in any such sign shall be more than four inches in height or more than three inches in width, and if more than one line is used the lines shall not be more than one inch apart and shall be placed on the corner of a window or on the door~~ in violation of subsection (b); or

(4) ~~for~~ any licensee to display alcoholic liquor in any window of the licensed premises.

(b) No retailer shall have more than one sign on the licensed premises. The sign shall contain nothing but the license number, the name of the retailer and the words "Retail Liquor Store." No letter or figure in the sign shall be more than four inches high or three inches wide. If more than one line is used, the lines shall be not more than one inch apart. The sign shall be placed on the corner of a window or on the door.

(c) The provisions of this section shall not be interpreted to prohibit the advertising of a farm winery, but no advertising of a farm winery shall advertise the sale of wines by the winery or the prices of those wines. Any advertising of a farm winery shall be subject to approval by the director prior to its dissemination.

(d) The director may adopt such rules and regulations as he shall deem necessary regulating and controlling necessary to

regulate and control the advertising, in any form, and display of alcoholic liquor, and nothing contained in this section shall be construed as limiting his the director's power to make adopt such rules and regulations not in conflict with this act.

Sec. 17. K.S.A. 41-717 is hereby amended to read as follows: 41-717. No person shall sell or furnish at retail and no farm winery shall sell to any consumer any alcoholic liquor ~~at retail to any person~~ on credit ~~or~~; on a passbook ~~or~~; on order on a store ~~or~~; in exchange for any goods, wares or merchandise; or in payment for any services rendered; ~~and~~. If any person shall ~~extend~~ extends credit ~~for such purpose~~ in violation of this section, the debt ~~thereby~~ attempted to be created shall not be recoverable at law. No farm winery or retailer of alcoholic liquor shall accept a check for payment ~~of~~ for alcoholic liquors sold by ~~him~~ the winery or retailer to a consumer, other than the personal check of the person making ~~such~~ the purchase.

Sec. 18. K.S.A. 41-718 is hereby amended to read as follows: 41-718. (a) No person ~~except~~ a manufacturer, distributor, farm winery or wholesaler, shall fill or refill, in whole or in part, any original package of alcoholic liquor with the same or any other kind or quality of alcoholic liquor ~~and it shall be unlawful for any~~.

(b) No person ~~to~~ shall have in ~~his~~ the person's possession for sale at retail any bottles, casks or other containers containing alcoholic liquor, except in original packages.

Sec. 19. K.S.A. 41-719 is hereby amended to read as follows: 41-719. (a) Except as provided in subsection (b), no person shall drink or consume alcoholic liquor upon the public streets, alleys, roads or highways; in beer parlors, taverns, pool halls or places to which the general public has access, whether or not an admission or other fee is charged or collected; upon property owned by the state or any governmental subdivision thereof; or inside vehicles while upon the public streets, alleys, roads or highways.

(b) The provisions of subsection (a) shall not apply to the

drinking or consumption of alcoholic liquor:

(1) Upon real property leased by a city to others under the provisions of K.S.A. 12-1740 ~~to~~ through 12-1749, ~~inclusive~~, and amendments thereto, if ~~such~~ the real property is actually being used for hotel or motel purposes or purposes incidental thereto.

(2) In any state owned or operated building or structure and upon the surrounding premises which are furnished to and occupied by any state officer or employee as a residence.

(3) In a club which is licensed by the director and which is located upon property owned or operated by an airport authority created pursuant to chapter 27 of the Kansas Statutes Annotated.

(4) In a club which is licensed by the director and which is located upon property owned or operated by an airport authority established by a city having a population of more than 200,000.

(5) Upon the licensed premises of a farm winery, but only if the alcoholic liquor is a complimentary sample of the wine produced by the winery.

(6) Upon property exempted from the provisions of subsection (a) pursuant to subsection (c) or (d).

(c) Any city having a population of more than 200,000 may exempt, by ordinance, specified property, title of which is vested in such city, from the provisions of subsection (a).

(d) The board of county commissioners of any county having a population of not less than 150,000 may exempt, by resolution, specified property, the title of which is vested in such county, from the provisions of subsection (a).

(e) Violation of any provision of subsection (a) is a misdemeanor punishable by a fine of not less than \$50 or more than \$200 or by imprisonment for not more than six months, or both.

Sec. 20. K.S.A. 41-803 is hereby amended to read as follows: 41-803. (a) It shall be unlawful for any person to own, maintain, operate or conduct either directly or indirectly,

an open saloon.

(b) As used in this section, "open saloon" means any place, public or private, where alcoholic liquor is sold or offered or kept for sale by the drink or in any quantity of less than ~~two hundred--(200)~~ 200 milliliters (6.3 fluid ounces) or sold or offered or kept for sale for consumption on the premises where sold, but does not include:

(1) Any club licensed pursuant to article 26 of chapter 41 of the Kansas Statutes Annotated; or

(2) any farm winery serving samples of its wine if no charge is imposed for the samples.

(c) Any violation of the provisions of this section is a misdemeanor punishable by a fine of not more than ~~five--hundred dollars--(\$500)~~ \$500 and by imprisonment for not more than ~~ninety~~ 90 days.

Sec. 21. K.S.A. 41-901 is hereby amended to read as follows: 41-901. ~~Any~~ (a) No person who manufactures, imports ~~shall manufacture, import~~ for distribution as a distributor at wholesaler or ~~distributes or sells~~ distribute or sell alcoholic liquor or beer or ~~who manufactures~~ manufacture beer containing not more than ~~three--and--two-tenths--percent--(3.2%)--of~~ 3.2% alcohol by weight at any place within the state without having first obtained a valid license so to do under the provisions of this act ~~or~~. No person shall obtain a license to carry on the business authorized by the license as agent for another, ~~or shall~~ obtain a license by fraud or ~~shall~~ make any false statement or otherwise ~~violates~~ violate any of the provisions of this act in obtaining any license hereunder ~~or who~~. No person having obtained ~~the~~ a license hereunder shall violate any of the provisions of this act with respect to the manufacture, possession, distribution or sale of alcoholic liquor or beer or; with respect to the manufacture of beer containing not more than ~~three--and--two-tenths--percent--(3.2%)--of~~ 3.2% alcohol by weight; or with respect to the maintenance of the licensed premises ~~shall~~.

(b) Violation of subsection (a) shall be punishable as follows, except where other penalties are specifically provided by law:

(1) For a first offense be fined, by a fine of not more than five-hundred-dollars-(\$500), and \$500; and

(2) for a second or subsequent offense shall be fined, by a fine of not more than one-thousand-dollars-(\$1,000) or be imprisoned \$1,000 or by imprisonment for not more than six (6) months, or be both so fined and imprisoned, except where other penalties are specifically provided both.

(c) Each day any person engages in business as a manufacturer, distributor, farm winery or retailer in violation of the provisions of this act shall constitute a separate offense, except that,

(d) Any license obtained to carry on the business as agent for another or any license obtained by fraud or by false statements shall be revoked by the director. When a license has been revoked for obtaining a license to carry on the business authorized by the license as agent for another, or obtained a license by fraud or by any false statement, all alcoholic liquor in the possession of any such the person who procured the license shall be forfeited and sold and the proceeds of such the sale shall be paid to the county treasurer of the county where such the alcoholic liquors were located. During the pendency of any appeal from any such order revoking such a license, the director may obtain an order from the district court of the county wherein such where the alcoholic liquor is located, restraining the sale or disposal of such the alcoholic liquor. When an order revoking any such license is issued by the director, the director shall forthwith forward by registered mail a certified copy of said the order revoking said the license under the seal of the director to the county attorney of the county wherein such where the alcoholic liquor is located.

Within fifteen--(15) 15 days after the order of revocation becomes final, the county attorney shall institute a civil action

~~under the code of civil procedure in the district court of said~~
the county in the name of the state of Kansas on the relation of
the county attorney to forfeit all ~~said~~ alcoholic liquor against
the person who procured the ~~issuance-of-the~~ license. Summons
shall be served as provided by the code of civil procedure upon
the person who procured the ~~issuance-of-the~~ license ~~and~~. Upon
the return day of the summons issued or as soon ~~thereafter~~ after
as convenient to the court, an order shall be entered by the
court forfeiting ~~said~~ the alcoholic liquors to the state of
Kansas and ordering ~~the-same~~ them to be sold by the sheriff of
the county in which the forfeiture occurred. ~~Said~~ The order shall
fix the time and place of sale ~~and~~ the method and manner in
which ~~said~~ the sale shall be held, together with ~~such~~ notice of
~~said~~ the sale as the court ~~may-direct~~ directs. After payment of
all costs of ~~said~~ the action, ~~which-costs-shall-include~~ including
a reasonable fee for the county attorney, the balance remaining
shall be paid to the state treasurer pursuant to K.S.A. 1978
Supp. 20-2801 ~~and any amendments thereto.~~

Sec. 22. K.S.A. 41-1101 is hereby amended to read as
follows: 41-1101. ~~(1)-It-shall-be-unlawful-for-any~~ (a) No
distributor licensed under this act ~~to~~ shall purchase any
alcoholic liquor from any manufacturer, owner of alcoholic liquor
at the time it becomes a marketable product, exclusive agent of
such manufacturer or owner, farm winery or distributor of
alcoholic liquor bottled in a foreign country either within or
without this state, unless ~~such~~ the manufacturer, owner,
exclusive agent, farm winery or distributor ~~shall-file~~ files with
the director a written statement sworn to by ~~such~~ the
manufacturer, owner, exclusive agent, farm winery or distributor
or, in case of a corporation, one of its principal officers,
agreeing to sell any of the brands or kinds of alcoholic liquor
manufactured or distributed by ~~such~~ the manufacturer, owner,
exclusive agent, farm winery or distributor to any distributor
licensed in this state and having a franchise to distribute ~~such~~
the alcoholic liquor pursuant to K.S.A. 41-410 ~~and amendments~~

~~thereto; to make such sales to all such licensed distributors in~~
this state at the same current price and without discrimination;
and to file price lists showing the current prices in the office
of the director as often as may be necessary or required by the
director but at least once each three months. If any
manufacturer, owner, exclusive agent, farm winery or distributor
making ~~such the~~ agreement violates ~~such the~~ agreement by refusing
to sell such alcoholic liquor to any such franchised licensed
distributor in this state or discriminates in current prices
among such franchised licensed distributors making or attempting
to make purchases of alcoholic liquor from ~~such the~~ manufacturer,
owner, exclusive agent, farm winery or distributor, the director
shall notify, by registered mail, each such franchised licensed
distributor in this state of ~~such the~~ violation. Thereupon, it
shall be unlawful for ~~such a~~ franchised licensed distributor in
this state to purchase any alcoholic liquor from ~~such the~~
manufacturer, owner, exclusive agent, farm winery or distributor.
If thereafter such a franchised licensed distributor ~~shall~~
~~purchase~~ purchases any alcoholic liquor from ~~such the~~
manufacturer, owner, exclusive agent, farm winery or distributor,
such franchised ~~licensed~~ distributor's license shall be revoked
by the director. If any manufacturer, owner, exclusive agent,
farm winery or distributor of alcoholic liquor bottled in a
foreign country, making any agreement hereunder ~~shall~~, does not
have a sufficient supply of alcoholic liquor of any of the brands
or kinds which ~~such the~~ manufacturer, owner, exclusive agent,
farm winery or distributor manufactures or distributes to supply
the demands of all licensed distributors having a franchise to
distribute such alcoholic liquor, ~~such the~~ manufacturer, owner,
exclusive agent, farm winery or distributor may ration such
alcoholic liquor and apportion the available supply among such
franchised licensed distributors purchasing or attempting to
purchase ~~the--same~~ it, in accordance with a plan which shall be
subject to the approval of the director. The provisions of this
subsection relating to the filing of price lists with the

~~director shall not apply to any manufacturer with respect to~~
alcoholic liquor manufactured or bottled in a foreign country.

~~(2) -- It shall be unlawful for any~~ (b) No retailer licensed under this act ~~to~~ shall purchase any alcoholic liquor from any distributor licensed under this act unless ~~such~~ the distributor ~~shall file~~ files with the director a written statement sworn to by ~~such~~ the distributor, or in case of a corporation by one of its principal officers, agreeing to sell any of the brands or kinds of alcoholic liquor distributed by ~~such~~ the distributor and to provide service in connection therewith to any licensed retailer whose licensed premises are located within the geographic territory of ~~such~~ the distributor's franchise for ~~such~~ the alcoholic liquors, unless written approval to do otherwise is obtained from the director; to make such sales to all such licensed retailers at the same current bottle and case price and without discrimination; and to file price lists showing the current bottle and case price in the office of the director as often as may be necessary or required by the director but at least once each three months. If any distributor making ~~such~~ the agreement violates ~~such~~ the agreement by refusing to sell or provide service to any such licensed retailer in this state without written approval of the director or discriminates in current prices among such licensed retailers making or attempting to make purchases of alcoholic liquor from ~~such~~ the distributor, the director shall revoke the license of ~~such~~ the distributor. If any licensed distributor making any agreement hereunder ~~shall~~ does not have a sufficient supply of alcoholic liquor of any of the brands or kinds which ~~such~~ the distributor distributes to supply the demands of all such licensed retailers ~~such,~~ the distributor may ration such alcoholic liquor and apportion the available supply among such licensed retailers purchasing or attempting to purchase the same, in accordance with a plan which shall be subject to the approval of the director.

~~(3)~~ (c) The provisions of this section shall not apply to any distributor of beer or any manufacturer or importer of beer,

~~whether within or without this state, with respect to beer~~
distributed or manufactured by ~~such~~ the distributor, manufacturer
or importer.

Sec. 23. K.S.A. 79-4101 is hereby amended to read as follows: 79-4101. For the purpose of providing revenue which may be used by the state, counties and cities in the enforcement of the provisions of this act, from and after the effective date of this act, for the privilege of engaging in the business of selling alcoholic liquor at retail or by farm wineries to consumers in this state, there is hereby levied and there shall be collected and paid a tax at the rate of ~~four percent--(4%)~~ 4% upon the gross receipts received from the sale of alcoholic liquor at retail or by farm wineries to consumers within this state. The tax imposed by this section shall be in addition to the license fee imposed on retailers and farm wineries by K.S.A. 41-310 and amendments thereto.

Sec. 24. K.S.A. 79-4102 is hereby amended to read as follows: 79-4102. The tax levied under K.S.A. 79-4101 and amendments thereto shall be paid by the consumer or user to the retailer and or farm winery. It shall be the duty of each ~~and every~~ retailer and farm winery in this state to collect from the purchaser the full amount of the tax imposed by this act, or an amount equal as nearly as possible or practicable, to the average equivalent thereof.

Sec. 25. K.S.A. 79-4103 is hereby amended to read as follows: 79-4103. ~~On or before March 30, 1949, and~~ On or before the last day of each calendar month ~~thereafter~~, every person engaged in the business of selling alcoholic liquor at retail and every farm winery selling wine in this state during the preceding calendar month, shall make a return to the director of taxation upon forms prescribed and furnished by ~~said~~ the director of taxation, stating: ~~(1)~~ (a) The name and address of the seller; ~~(2)~~ (b) the total amount of gross sales of all alcoholic liquor made by ~~him--or--her~~ the seller during the preceding calendar month; and ~~(3)--such~~ (c) any other pertinent information ~~as--said~~

~~the director of taxation shall require~~ requires. The person making the return ~~herein required~~ shall, at the time of making ~~such~~ the return, pay to the director of taxation the amount of tax imposed by K.S.A. 79-4101 and amendments thereto. The director of taxation may extend the time for making returns and paying ~~such~~ the tax for any period not to exceed ~~sixty--(60)~~ 60 days, under ~~such~~ rules and regulations as adopted by the secretary of revenue ~~may prescribe~~.

Sec. 26. K.S.A. 79-4104 is hereby amended to read as follows: 79-4104. Whenever the director of alcoholic beverage control ~~shall issue~~ issues a retailer's license to sell alcoholic liquors, ~~he or she~~ or issues a farm winery license, the director of alcoholic beverage control shall promptly notify the director of taxation of ~~such~~ its issuance, ~~which~~. The notice shall include the name of the ~~retail~~ licensee and the address of the licensed premises, ~~and~~. Whenever the director of alcoholic beverage control ~~shall revoke or suspend~~ revokes or suspends any retailer's or farm winery license, or whenever any retailer's or farm winery license ~~shall expire~~ expires, the director of alcoholic beverage control shall ~~also~~ likewise notify the director of taxation.

Sec. 27. K.S.A. 79-4107 is hereby amended to read as follows: 79-4107. ~~Any retailer or person who fails~~ (a) No person shall: (1) Fail to make a return or pay any tax provided in K.S.A. 79-4101 to 79-4105, or who makes and amendments thereto; (2) make a false or fraudulent return, or who willfully violates any; (3) willfully violate any rules and regulations of the secretary of revenue for the enforcement and administration of said those sections, or aids and abets; (4) aid or abet another in attempting to evade the payment of any tax imposed by said those sections; or who violates (5) violate any other provision of said those sections, shall upon conviction thereof be fined not less than one hundred dollars nor more than one thousand dollars, or be imprisoned in the county jail.

(b) Violation of subsection (a) is punishable by a fine of

~~not less than \$100 or more than \$1,000 or by imprisonment for not less than one month nor or more than six months, or ~~be both--so~~ ~~fined and imprisoned in the discretion of the court~~ by both.~~

Sec. 28. K.S.A. 41-102, 41-304, 41-310, 41-312, 41-313, 41-316, 41-317, 41-319, 41-320, 41-501, 41-601, 41-602, 41-710, 41-714, 41-717, 41-718, 41-719, 41-803, 41-901, 41-1101, 79-4101, 79-4102, 79-4103, 79-4104 and 79-4107 and K.S.A. 1982 Supp. 41-311 are hereby repealed.

Sec. 29. This act shall take effect and be in force from and after its publication in the statute book.

0119 suant to section 2.

0120 (f) "Nonprofit veterans' organization" means any organiza-
0121 tion within this state or any branch, lodge, or chapter of a national
0122 or state organization within this state, the membership of which
0123 consists exclusively of individuals who qualify for membership
0124 because they were or are members of the armed services or forces
0125 of the United States, or an auxiliary unit or society of such a
0126 nonprofit veterans' organization the membership of which con-
0127 sists exclusively of individuals who were or are members of the
0128 armed services or forces of the United States, or are cadets, or are
0129 spouses, widows or widowers of individuals who were or are
0130 members of the armed services or forces of the United States, and
0131 of which if:

0132 (1) No part of the net earnings inures to the benefit of any
0133 private shareholder or individual member of such organization;
0134 and

0135 (2) (A) the organization has been determined by the secretary
0136 of revenue to be organized and operated as a bona fide veterans'
0137 organization and which has been exempted from the payment of
0138 federal income taxes as provided by section 501(c)(4) or
0139 501(c)(19) of the federal internal revenue code of 1954, as
0140 amended, or determined to be organized and operated as a bona
0141 fide nonprofit veterans' organization by the secretary of revenue;
0142 or

0143 (B) for the purpose of obtaining a temporary license only, has
0144 been determined to be a nonprofit veterans' organization pursuant
0145 to section 2.

0146 (g) "Lessor" means the owner, co-owner, lessor or sublessor
0147 of premises upon which a licensee is permitted to manage,
0148 operate or conduct games of bingo, whether or not a written lease
0149 has been entered into and submitted to the secretary of revenue as
0150 required in subsection (c) of K.S.A. 79-4703 and amendments
0151 thereto, and includes all political subdivisions and other public
0152 agencies.

0153 New Sec. 2. (a) The governing body of a city or county of this
0154 state may make application to the secretary of revenue for a
0155 temporary license to manage, operate or conduct games of bingo.

HB-2146

Cities
of 2nd & 3rd class

Atch. E

0156 The temporary license shall be valid for not more than two days
0157 and only for premises within the respective city or county. Not
0158 more than one temporary license shall be issued to a city or
0159 county in any calendar year.

consecutive

0160 (b) A temporary license shall authorize games of bingo to be
0161 managed, operated or conducted by ~~one or more organizations~~
0162 ~~which are~~ determined by the governing body of the city or county
0163 to be ~~bona fide nonprofit religious, charitable, fraternal, educa-~~
0164 ~~tional or veterans' organizations~~ and to which the temporary
0165 license is assigned by the governing body for the term of the
0166 temporary license's validity.

an organization which is

a organization

0167 (c) Prior to application for a temporary license, the governing
0168 body of the city or county shall adopt an ordinance or resolution
0169 authorizing the application and stating the ~~organizations~~ to
0170 which the temporary license will be assigned, that the governing
0171 body has determined the ~~organizations to be~~ bona fide nonprofit
0172 religious, charitable, fraternal, educational or veterans' organiza-
0173 ~~tions~~ and the dates for which the temporary license is desired.

organization

organization to be a

organization

0174 (d) The application for a temporary license shall contain or be
0175 accompanied by:

0176 (1) The name of the city or county making the application and
0177 the address of the city or county governing body;

0178 (2) a copy of the ordinance or resolution authorizing the
0179 application;

name and address of the organization

0180 (3) ~~the names and addresses of the organizations~~ to which the
0181 temporary license will be assigned;

0182 (4) the dates and particular place or location for which the
0183 license is desired; and

0184 (5) sworn statements ~~verifying that each~~ organization to
0185 which the license will be assigned;

, signed by two presiding officers of the
, verifying that the organization

0186 (A) Is a bona fide nonprofit religious, charitable, fraternal,
0187 educational or veterans' organization authorized to operate
0188 within the state of Kansas ~~signed by the presiding officer and~~
0189 ~~secretary of the organization~~ and

0190 (B) has no officer, director or official who has been convicted
0191 of or has pleaded guilty or *nolo contendere* to a violation of the
0192 gambling laws of any state or of the United States, or has forfeited

0177 bond to appear in court to answer charges for any such violation,
0184 within five years immediately prior to the date of the application
0195 for a temporary license.

0196 (d) The fee for a temporary license shall be \$25. The fee shall
0197 accompany the application for the temporary license.

0198 (e) The tax return required by K.S.A. 79-4705 and amend-
0199 ments thereto shall, for games of bingo managed, operated or
0200 conducted under a temporary license, be printed on the back of
0201 the temporary license.

0202 (f) Except as otherwise provided by this section, the provi-
0203 sions of K.S.A. 79-4704, 79-4705, 79-4706 and 79-4707, and
0204 amendments thereto, shall apply to games of bingo managed,
0205 operated or conducted under a temporary license and, for the
0206 purposes of those statutes, each organization managing, operating
0207 or conducting the games of bingo under a temporary license shall
0208 be considered to be a licensee.

0209 (g) The secretary of revenue may deny a temporary license for
0210 any reason specified for revocation or suspension of a license
0211 under K.S.A. 79-4707 and amendments thereto.

0212 Sec. 3. K.S.A. 1982 Supp. 79-4701 is hereby repealed.

0213 Sec. 4. This act shall take effect and be in force from and after
0214 its publication in the ~~statute book~~

enforcement top

Kansas register