Session of 2016

SENATE BILL No. 326

By Committee on Federal and State Affairs

1-14

AN ACT concerning alcoholic beverages; relating to microbreweries;
 amending K.S.A. 2015 Supp. 41-308b and repealing the existing
 section.

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

6 Section 1. K.S.A. 2015 Supp. 41-308b is hereby amended to read as 7 follows: 41-308b. (a) A microbrewery license shall allow:

8 (1) The manufacture of not less than 100 nor more than 30,000-9 60,000 barrels of domestic beer during the calendar year and the storage 10 thereof, *if*, *however*, *the licensee holds a 10% or greater ownership* 11 *interest in one or more microbrewery licenses, then the aggregate* 12 *number of barrels of domestic beer manufactured by all such licenses* 13 *with such common ownership shall not exceed the 60,000 barrel limit*;

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(2) the sale to beer distributors of beer, manufactured by the licensee;

(3) the sale, on the licensed premises in the original unopened
 container to consumers for consumption off the licensed premises, of beer
 manufactured by the licensee;

(4) the serving free of charge on the licensed premises and at special
events, monitored and regulated by the division of alcoholic beverage
control, of samples of beer manufactured by the licensee, if the premises
are located in a county where the sale of alcoholic liquor is permitted by
law in licensed drinking establishments;

(5) if the licensee *premises* is also licensed as a club or drinking
 establishment, *the sale and transfer of domestic beer to such club or drinking establishment and* the sale of domestic beer and other alcoholic
 liquor for consumption on the licensed premises as authorized by the club
 and drinking establishment act; and

(6) if the licensee *premises* is also licensed as a caterer, the sale of
 domestic beer and other alcoholic liquor for consumption on unlicensed
 premises as authorized by the club and drinking establishment act; *and*

(7) if the licensee holds a 10% or greater ownership interest in one
 or more microbrewery licenses, the domestic beer may be manufactured
 and transferred for sale or storage among such microbrewery licenses.

(b) Upon application and payment of the fee prescribed by K.S.A. 41310, and amendments thereto, by a microbrewery licensee, the director
may issue not to exceed one microbrewery packaging and warehousing

facility license to the microbrewery licensee. A microbrewery packaging
 and warehousing facility license shall allow:

(1) The transfer, from the licensed premises of the microbrewery to
the licensed premises of the microbrewery packaging and warehousing
facility, of beer manufactured by the licensee, for the purpose of packaging
or storage, or both; and

7 (2) the transfer, from the licensed premises of the microbrewery
8 packaging and warehousing facility to the licensed premises of the any
9 microbrewery of such licensee, of beer manufactured by the licensee; or

(3) the removal from the licensed premises of the microbrewery
packaging and warehousing facility of beer manufactured by the licensee
for the purpose of delivery to a licensed beer wholesaler.

13 (c) A microbrewery may sell domestic beer in the original unopened container to consumers for consumption off the licensed premises at any 14 15 time between 6 a.m. and 12 midnight on any day except Sunday and 16 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a 17 microbrewery may serve samples of domestic beer and serve and sell 18 domestic beer and other alcoholic liquor for consumption on the licensed 19 premises at any time when a club or drinking establishment is authorized 20 to serve and sell alcoholic liquor.

21 (d) The director may issue to the Kansas state fair or any bona fide 22 group of brewers a permit to import into this state small quantities of beer. 23 Such beer shall be used only for bona fide educational and scientific 24 tasting programs and shall not be resold. Such beer shall not be subject to 25 the tax imposed by K.S.A. 41-501, and amendments thereto. The permit shall identify specifically the brand and type of beer to be imported, the 26 27 quantity to be imported, the tasting programs for which the beer is to be 28 used and the times and locations of such programs. The secretary shall adopt rules and regulations governing the importation of beer pursuant to 29 30 this subsection and the conduct of tasting programs for which such beer is 31 imported.

(e) A microbrewery license or microbrewery packaging and
warehousing facility 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.

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(f) No microbrewery shall:

37 (1) Employ any person under the age of 18 years in connection with38 the manufacture, sale or serving of any alcoholic liquor;

(2) permit any employee of the licensee who is under the age of 21
years to work on the licensed premises at any time when not under the onpremises supervision of either the licensee or an employee of the licensee
who is 21 years of age or over;

43 (3) employ any person under 21 years of age in connection with

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- mixing or dispensing alcoholic liquor; or 1
- (4) employ any person in connection with the manufacture or sale of 2 alcoholic liquor if the person has been convicted of a felony. 3
- (g) Whenever a microbrewery licensee is convicted of a violation of 4 the Kansas liquor control act, the director may revoke the licensee's license 5 and all fees paid for the license in accordance with the Kansas 6 administrative procedure act. 7 8
 - Sec. 2. K.S.A. 2015 Supp. 41-308b is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its 9 publication in the statute book. 10