

**HOUSE BILL No. 2292**

By Committee on Corrections and Juvenile Justice

2-7

1 AN ACT concerning alcohol; relating to persons allowed to dispense  
2 alcohol; amending K.S.A. 2016 Supp. 41-308a, 41-308b, 41-354, 41-  
3 713, 41-2610 and 41-2708 and repealing the existing sections.

4  
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2016 Supp. 41-308a is hereby amended to read as  
7 follows: 41-308a. (a) A farm winery license shall allow:

8 (1) The manufacture of domestic table wine and domestic fortified  
9 wine in a quantity not exceeding 100,000 gallons per year and the storage  
10 thereof;

11 (2) the sale of wine, manufactured by the licensee, to licensed wine  
12 distributors, retailers, public venues, clubs, drinking establishments,  
13 holders of temporary permits as authorized by K.S.A. 41-2645, and  
14 amendments thereto, and caterers;

15 (3) the sale, on the licensed premises and at special events monitored  
16 and regulated by the division of alcoholic beverage control in the original  
17 unopened container to consumers for consumption off the licensed  
18 premises, of wine manufactured by the licensee;

19 (4) the serving free of charge on the licensed premises and at special  
20 events, monitored and regulated by the division of alcoholic beverage  
21 control, of samples of wine manufactured by the licensee or imported  
22 under subsection (e), if the licensed premises are located in a county where  
23 the sale of alcoholic liquor is permitted by law in licensed drinking  
24 establishments;

25 (5) the sale of wine manufactured by the licensee for consumption on  
26 the licensed premises, provided, the licensed premises are located in a  
27 county where the sale of alcoholic liquor is permitted by law in licensed  
28 drinking establishments. Wine sold pursuant to this paragraph shall not be  
29 subject to the provisions of the club and drinking establishment act, K.S.A.  
30 41-2601 et seq., and amendments thereto, and no drinking establishment  
31 license shall be required to make such sales;

32 (6) if the licensee is also licensed as a club or drinking establishment,  
33 the sale of domestic wine, domestic fortified wine and other alcoholic  
34 liquor for consumption on the licensed premises as authorized by the club  
35 and drinking establishment act;

36 (7) if the licensee is also licensed as a caterer, the sale of domestic

1 wine, domestic fortified wine and other alcoholic liquor for consumption  
2 on the unlicensed premises as authorized by the club and drinking  
3 establishment act;

4 (8) the sale and shipping, in the original unopened container, to  
5 consumers outside this state of wine manufactured by the licensee,  
6 provided that the licensee complies with applicable laws and rules and  
7 regulations of the jurisdiction to which the wine is shipped; and

8 (9) the sale and shipping of wine within this state pursuant to a permit  
9 issued pursuant to K.S.A. 2016 Supp. 41-350, and amendments thereto.

10 (b) Upon application and payment of the fee prescribed by K.S.A. 41-  
11 310, and amendments thereto, by a farm winery licensee, the director may  
12 issue not to exceed three winery outlet licenses to the farm winery  
13 licensee. A winery outlet license shall allow:

14 (1) The sale, on the licensed premises and at special events monitored  
15 and regulated by the division of alcoholic beverage control in the original  
16 unopened container to consumers for consumption off the licensed  
17 premises, of wine manufactured by the licensee;

18 (2) the serving on the licensed premises of samples of wine  
19 manufactured by the licensee or imported under subsection (e), if the  
20 premises are located in a county where the sale of alcoholic liquor is  
21 permitted by law in licensed drinking establishments; and

22 (3) the manufacture of domestic table wine and domestic fortified  
23 wine and the storage thereof; provided, that the aggregate quantity of wine  
24 produced by the farm winery licensee, including all winery outlets, shall  
25 not exceed 100,000 gallons per year.

26 (c) Not less than 30% of the products utilized in the manufacture of  
27 domestic table wine and domestic fortified wine by a farm winery shall be  
28 grown in Kansas except when a lesser proportion is authorized by the  
29 director based upon the director's findings and judgment. The production  
30 requirement of this subsection shall be determined based on the annual  
31 production of domestic table wine and domestic fortified wine by the farm  
32 winery.

33 (d) A farm winery or winery outlet may sell domestic wine and  
34 domestic fortified wine in the original unopened container to consumers  
35 for consumption off the licensed premises at any time between 6 a.m. and  
36 12 midnight on any day except Sunday and between 12 noon and 6 p.m.  
37 on Sunday. If authorized by subsection (a), a farm winery may serve  
38 samples of wine manufactured by the licensee and wine imported under  
39 subsection (e) and serve and sell domestic wine, domestic fortified wine  
40 and other alcoholic liquor for consumption on the licensed premises at any  
41 time when a club or drinking establishment is authorized to serve and sell  
42 alcoholic liquor. If authorized by subsection (b), a winery outlet may serve  
43 samples of domestic wine, domestic fortified wine and wine imported

1 under subsection (e) at any time when the winery outlet is authorized to  
2 sell domestic wine and domestic fortified wine.

3 (e) The director may issue to the Kansas state fair or any bona fide  
4 group of grape growers or wine makers a permit to import into this state  
5 small quantities of wines. Such wine shall be used only for bona fide  
6 educational and scientific tasting programs and shall not be resold. Such  
7 wine shall not be subject to the tax imposed by K.S.A. 41-501, and  
8 amendments thereto. The permit shall identify specifically the brand and  
9 type of wine to be imported, the quantity to be imported, the tasting  
10 programs for which the wine is to be used and the times and locations of  
11 such programs. The secretary shall adopt rules and regulations governing  
12 the importation of wine pursuant to this subsection and the conduct of  
13 tasting programs for which such wine is imported.

14 (f) A farm winery license or winery outlet license shall apply only to  
15 the premises described in the application and in the license issued and only  
16 one location shall be described in the license.

17 (g) No farm winery or winery outlet shall:

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

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

24 (3) employ any person under 21 years of age in connection with  
25 mixing or dispensing alcoholic liquor; ~~or~~

26 ~~(4) employ any person in connection with the manufacture or sale of~~  
27 ~~alcoholic liquor if the person has been convicted of a felony.~~

28 (h) Whenever a farm winery or winery outlet licensee is convicted of  
29 a violation of the Kansas liquor control act, the director may revoke the  
30 licensee's license and order forfeiture of all fees paid for the license, after a  
31 hearing before the director for that purpose in accordance with the  
32 provisions of the Kansas administrative procedure act.

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

35 Sec. 2. K.S.A. 2016 Supp. 41-308b is hereby amended to read as  
36 follows: 41-308b. (a) A microbrewery license shall allow:

37 (1) The manufacture of not less than 100 nor more than 60,000  
38 barrels of domestic beer during the calendar year and the storage thereof,  
39 if, however, the licensee holds a 10% or greater ownership interest in one  
40 or more entities that also hold a microbrewery license, then the aggregate  
41 number of barrels of domestic beer manufactured by all such licensees  
42 with such common ownership shall not exceed the 60,000 barrel limit;

43 (2) the manufacture in the aggregate of not more than 100,000 gallons

1 of hard cider during the calendar year and the storage thereof;

2 (3) the sale to beer distributors of beer and the sale to wine  
3 distributors of hard cider, manufactured by the licensee;

4 (4) the sale, on the licensed premises in the original unopened  
5 container to consumers for consumption off the licensed premises, of beer  
6 and hard cider manufactured by the licensee;

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

12 (6) if the premises is also licensed as a club or drinking  
13 establishment, the sale and transfer of domestic beer to such club or  
14 drinking establishment and the sale of domestic beer and other alcoholic  
15 liquor for consumption on the licensed premises as authorized by the club  
16 and drinking establishment act;

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

20 (8) if the licensee holds a 10% or greater ownership interest in one or  
21 more entities that also hold a microbrewery license, the domestic beer may  
22 be manufactured and transferred for sale or storage among such  
23 microbrewery licensees with such common ownership.

24 (b) Not less than 30% of the products utilized in the manufacture of  
25 hard cider by a microbrewery shall be grown in Kansas except when a  
26 lesser proportion is authorized by the director based upon the director's  
27 findings and judgment. The production requirement of this subsection shall  
28 be determined based on the annual production of domestic hard cider.

29 (c) Upon application and payment of the fee prescribed by K.S.A. 41-  
30 310, and amendments thereto, by a microbrewery licensee, the director  
31 may issue not to exceed one microbrewery packaging and warehousing  
32 facility license to the microbrewery licensee. A microbrewery packaging  
33 and warehousing facility license shall allow:

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

38 (2) the transfer, from the licensed premises of the microbrewery  
39 packaging and warehousing facility to the licensed premises of any  
40 microbrewery of such licensee, of beer manufactured by the licensee;

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

1 (4) the removal from the licensed premises of the microbrewery  
2 packaging and warehousing facility of hard cider manufactured by the  
3 licensee for the purpose of delivery to a licensed wine distributor.

4 (d) A microbrewery may sell domestic beer in the original unopened  
5 container to consumers for consumption off the licensed premises at any  
6 time between 6 a.m. and 12 midnight on any day except Sunday and  
7 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a  
8 microbrewery may serve samples of domestic beer and serve and sell  
9 domestic beer and other alcoholic liquor for consumption on the licensed  
10 premises at any time when a club or drinking establishment is authorized  
11 to serve and sell alcoholic liquor.

12 (e) The director may issue to the Kansas state fair or any bona fide  
13 group of brewers a permit to import into this state small quantities of beer.  
14 Such beer shall be used only for bona fide educational and scientific  
15 tasting programs and shall not be resold. Such beer shall not be subject to  
16 the tax imposed by K.S.A. 41-501, and amendments thereto. The permit  
17 shall identify specifically the brand and type of beer to be imported, the  
18 quantity to be imported, the tasting programs for which the beer is to be  
19 used and the times and locations of such programs. The secretary shall  
20 adopt rules and regulations governing the importation of beer pursuant to  
21 this subsection and the conduct of tasting programs for which such beer is  
22 imported.

23 (f) A microbrewery license or microbrewery packaging and  
24 warehousing facility license shall apply only to the premises described in  
25 the application and in the license issued and only one location shall be  
26 described in the license.

27 (g) No microbrewery shall:

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

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

34 (3) employ any person under 21 years of age in connection with  
35 mixing or dispensing alcoholic liquor; ~~or~~

36 ~~(4) employ any person in connection with the manufacture or sale of~~  
37 ~~alcoholic liquor if the person has been convicted of a felony.~~

38 (h) Whenever a microbrewery licensee is convicted of a violation of  
39 the Kansas liquor control act, the director may revoke the licensee's license  
40 and all fees paid for the license in accordance with the Kansas  
41 administrative procedure act.

42 Sec. 3. K.S.A. 2016 Supp. 41-354 is hereby amended to read as  
43 follows: 41-354. (a) A microdistillery license shall allow:

1 (1) The manufacture of not more than 50,000 gallons of spirits per  
2 year and the storage thereof;

3 (2) the sale to spirit distributors of spirits, manufactured by the  
4 licensee;

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

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

13 (5) if the licensee is also licensed as a club or drinking establishment,  
14 the sale of spirits and other alcoholic liquor for consumption on the  
15 licensed premises as authorized by the club and drinking establishment  
16 act; and

17 (6) if the licensee is also licensed as a caterer, the sale of spirits and  
18 other alcoholic liquor for consumption on unlicensed premises as  
19 authorized by the club and drinking establishment act.

20 (b) Upon application and payment of the fee prescribed by K.S.A. 41-  
21 310, and amendments thereto, by a microdistillery licensee, the director  
22 may issue not to exceed one microdistillery packaging and warehousing  
23 facility license to the microdistillery licensee. A microdistillery packaging  
24 and warehousing facility license shall allow:

25 (1) The transfer, from the licensed premises of the microdistillery to  
26 the licensed premises of the microdistillery packaging and warehousing  
27 facility, of spirits manufactured by the licensee, for the purpose of  
28 packaging or storage, or both;

29 (2) the transfer, from the licensed premises of the microdistillery  
30 packaging and warehousing facility to the licensed premises of the  
31 microdistillery, of spirits manufactured by the licensee; or

32 (3) the removal from the licensed premises of the microdistillery  
33 packaging and warehousing facility of spirits manufactured by the licensee  
34 for the purpose of delivery to a licensed spirits wholesaler.

35 (c) A microdistillery may sell spirits in the original unopened  
36 container to consumers for consumption off the licensed premises at any  
37 time between 6 a.m. and 12 midnight on any day except Sunday and  
38 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a  
39 microdistillery may serve samples of spirits and serve and sell spirits and  
40 other alcoholic liquor for consumption on the licensed premises at any  
41 time when a club or drinking establishment is authorized to serve and sell  
42 alcoholic liquor.

43 (d) The director may issue to the Kansas state fair or any bona fide

1 group of distillers a permit to import into this state small quantities of  
2 spirits. Such spirits shall be used only for bona fide educational and  
3 scientific tasting programs and shall not be resold. Such spirits shall not be  
4 subject to the tax imposed by K.S.A. 41-501, and amendments thereto. The  
5 permit shall identify specifically the brand and type of spirit to be  
6 imported, the quantity to be imported, the tasting programs for which the  
7 spirit is to be used and the times and locations of such programs. The  
8 secretary shall adopt rules and regulations governing the importation of  
9 spirits pursuant to this subsection and the conduct of tasting programs for  
10 which such spirits are imported.

11 (e) A microdistillery license or microdistillery packaging and  
12 warehousing facility license shall apply only to the premises described in  
13 the application and in the license issued and only one location shall be  
14 described in the license.

15 (f) No microdistillery shall:

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

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

22 (3) employ any person under 21 years of age in connection with  
23 mixing or dispensing alcoholic liquor; ~~or~~

24 ~~(4) employ any person in connection with the manufacture or sale of~~  
25 ~~alcoholic liquor if the person has been convicted of a felony.~~

26 (g) Whenever a microdistillery licensee is convicted of a violation of  
27 the Kansas liquor control act, the director may revoke the licensee's license  
28 and all fees paid for the license in accordance with the Kansas  
29 administrative procedure act.

30 (h) The provisions of this section shall take effect and be in force  
31 from and after July 1, 2012.

32 (i) All rules and regulations adopted on and after July 1, 2012, and  
33 prior to July 1, 2013, to implement this section shall continue to be  
34 effective and shall be deemed to be duly adopted rules and regulations of  
35 the secretary until revised, amended, revoked or nullified pursuant to law.

36 (j) This section shall be a part of and supplemental to the Kansas  
37 liquor control act.

38 Sec. 4. K.S.A. 2016 Supp. 41-713 is hereby amended to read as  
39 follows: 41-713. (a) It shall be unlawful for a retailer of alcoholic liquor:

40 (1) To permit any person to mix drinks in or on the licensed premises,  
41 except as provided in subsection (b); *or*

42 (2) to employ any person under the age of 21 years in connection  
43 with the operation of such retail establishment; ~~or~~

1       ~~(3) to employ any person in connection with the operation of such~~  
2 ~~retail establishment who has been adjudged guilty of a felony.~~

3       (b) The provisions of subsection (a)(1) shall not apply to the  
4 preparation or mixing of samples for the purposes of conducting wine,  
5 beer or distilled spirit tastings, or any combination thereof, as authorized  
6 by K.S.A. 2016 Supp. 41-308d, and amendments thereto.

7       Sec. 5. K.S.A. 2016 Supp. 41-2610 is hereby amended to read as  
8 follows: 41-2610. It shall be unlawful for any licensee or holder of a  
9 temporary permit under this act to:

10       (a) Employ any person under the age of 18 years in connection with  
11 the serving of alcoholic liquor.

12       ~~(b) Employ knowingly or continue in employment any person in~~  
13 ~~connection with the dispensing or serving of alcoholic liquor or the mixing~~  
14 ~~of drinks containing alcoholic liquor who has been adjudged guilty of a~~  
15 ~~felony or of any crime involving a morals charge in this or any other state,~~  
16 ~~or of the United States.~~

17       ~~(c)~~ (e) Knowingly employ or continue to employ any person in  
18 connection with the dispensing or serving of alcoholic liquor, or the  
19 mixing of drinks containing alcoholic liquor, who has been adjudged guilty  
20 of two or more violations of K.S.A. 2016 Supp. 21-5607, and amendments  
21 thereto, furnishing alcoholic liquor to minors or a similar law of any other  
22 state, or of the United States, pertaining to furnishing alcoholic liquor to  
23 minors within the immediately preceding five years, or who has been  
24 adjudged guilty of three or more violations of any intoxicating liquor law  
25 of this or any other state, or of the United States, not involving the  
26 furnishing of alcoholic liquor to minors within the immediately preceding  
27 five years.

28       ~~(d)~~(c) In the case of a club, fail to maintain at the licensed premises a  
29 current list of all members and their residence addresses or refuse to allow  
30 the director, any of the director's authorized agents or any law enforcement  
31 officer to inspect such list.

32       ~~(e)~~(d) Purchase alcoholic liquor from any person except from a  
33 person authorized by law to sell such alcoholic liquor to such licensee or  
34 permit holder.

35       ~~(f)~~(e) Permit any employee of the licensee or permit holder who is  
36 under the age of 21 years to work on premises where alcoholic liquor is  
37 sold by such licensee or permit holder at any time when not under the on-  
38 premises supervision of either the licensee or permit holder, or an  
39 employee who is 21 years of age or over.

40       ~~(g)~~(f) Employ any person under 21 years of age in connection with  
41 the mixing or dispensing of drinks containing alcoholic liquor.

42       Sec. 6. K.S.A. 2016 Supp. 41-2708 is hereby amended to read as  
43 follows: 41-2708. (a) The board of county commissioners or the governing

1 body of any city, upon five days' notice to the persons holding a license,  
2 may revoke or suspend the license for any one of the following reasons:

3 (1) The licensee has violated any of the provisions of K.S.A. 41-2701  
4 et seq., and amendments thereto, or any rules or regulations made by the  
5 board or the city, as the case may be;

6 (2) drunkenness of the licensee or permitting any intoxicated person  
7 to remain in or upon the licensee's place of business;

8 (3) the sale of cereal malt beverages to any person under the legal age  
9 for consumption of cereal malt beverage;

10 (4) permitting any person to mix drinks with materials purchased in  
11 or upon the place of business or brought in for that purpose;

12 (5) the sale or possession of, or permitting any person to use or  
13 consume on the licensed premises, any alcoholic liquor as defined by  
14 K.S.A. 41-102, and amendments thereto; or

15 (6) the licensee has been convicted of a violation of the beer and  
16 cereal malt beverage keg registration act.

17 (b) The provisions of subsections (a)(4) and (5) shall not apply if the  
18 place of business or premises also are currently licensed as a club or  
19 drinking establishment pursuant to the club and drinking establishment act.

20 (c) The board of county commissioners or the governing body of any  
21 city, upon five days' notice to the persons holding a license, shall revoke or  
22 suspend the license for any one of the following reasons:

23 (1) The licensee has fraudulently obtained the license by giving false  
24 information in the application therefor;

25 (2) the licensee has become ineligible to obtain a license under this  
26 act;

27 (3) the nonpayment of any license fees;

28 (4) permitting any gambling in or upon the licensee's place of  
29 business;

30 (5) the employment of persons under 18 years of age in dispensing or  
31 selling cereal malt beverages;

32 (6) the employment or continuation in employment of a person in  
33 connection with the sale, serving or dispensing of cereal malt beverages if  
34 the licensee knows such person has been, within the preceding two years,  
35 adjudged guilty of a felony or of any violation of the intoxicating liquor  
36 laws of this state, another state or the United States; or

37 (7) there has been a violation of K.S.A. 21-4106 or 21-4107, prior to  
38 their repeal, or K.S.A. 2016 Supp. 21-6204, and amendments thereto, in or  
39 upon the licensee's place of business.

40 (d) Within 20 days after the order of the board revoking or  
41 suspending any license, the licensee may appeal to the district court and  
42 the district court shall proceed to hear such appeal as though such court  
43 had original jurisdiction of the matter. Any appeal taken from an order

1 revoking or suspending the license shall not suspend the order of  
2 revocation or suspension during the pendency of any such appeal.

3 Sec. 7. K.S.A. 2016 Supp. 41-308a, 41-308b, 41-354, 41-713, 41-  
4 2610 and 41-2708 are hereby repealed.

5 Sec. 8. This act shall take effect and be in force from and after its  
6 publication in the statute book.