

SENATE BILL No. 164

By Committee on Federal and State Affairs

2-13

1 AN ACT concerning alcoholic beverages; relating to licensure; specifying
2 the effective date of licenses; amending K.S.A. 2018 Supp. 41-310 and
3 41-2629 and repealing the existing sections.

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

6 Section 1. K.S.A. 2018 Supp. 41-310 is hereby amended to read as
7 follows: 41-310. (a) At the time application is made to the director for a
8 license of any class, the applicant shall pay the fee provided by this
9 section.

10 (b) The fee for a manufacturer's license to manufacture alcohol and
11 spirits shall be \$5,000.

12 (c) The fee for a manufacturer's license to manufacture beer and
13 cereal malt beverage shall be:

14 (1) For 1 to 100 barrel daily capacity or any part thereof, \$400.

15 (2) For 100 to 150 barrel daily capacity, \$800.

16 (3) For 150 to 200 barrel daily capacity, \$1,400.

17 (4) For 200 to 300 barrel daily capacity, \$2,000.

18 (5) For 300 to 400 barrel daily capacity, \$2,600.

19 (6) For 400 to 500 barrel daily capacity, \$2,800.

20 (7) For 500 or more barrel daily capacity, \$3,200.

21 As used in this subsection, "daily capacity" means the average daily
22 barrel production for the previous 12 months of manufacturing operation.
23 If no basis for comparison exists, the licensee shall pay in advance for
24 operation during the first term of the license a fee of \$2,000.

25 (d) The fee for a manufacturer's license to manufacture wine shall be
26 \$1,000.

27 (e) (1) The fee for a microbrewery license, a microdistillery license or
28 a farm winery license shall be \$500.

29 (2) The fee for a winery outlet license shall be \$100.

30 (3) The fee for a microbrewery packaging and warehousing facility
31 license shall be \$200.

32 (4) The fee for a microdistillery packaging and warehousing facility
33 license shall be \$200.

34 (f) The fee for a spirits distributor's license for the first and each
35 additional distributing place of business operated in this state by the
36 licensee and wholesaling and jobbing spirits shall be \$2,000.

1 (g) The fee for a wine distributor's license for the first and each
2 additional distributing place of business operated in this state by the
3 licensee and wholesaling and jobbing wine shall be \$2,000.

4 (h) The fee for a beer distributor's license, for the first and each
5 additional wholesale distributing place of business operated in this state by
6 the licensee and wholesaling or jobbing beer and cereal malt beverage
7 shall be \$2,000.

8 (i) The fee for a nonbeverage user's license shall be:

9 (1) For class 1, \$20.

10 (2) For class 2, \$100.

11 (3) For class 3, \$200.

12 (4) For class 4, \$400.

13 (5) For class 5, \$1,000.

14 (j) In addition to the license fees prescribed by subsections (b), (c),
15 (d), (f), (g), (h) and (i):

16 (1) Any city in which the licensed premises are located may levy and
17 collect a biennial occupation or license tax on the licensee in an amount
18 not exceeding the amount of the license fee required to be paid under this
19 act to obtain the license, but no city shall impose an occupation or
20 privilege tax on the licensee in excess of that amount; and

21 (2) any township in which the licensed premises are located may levy
22 and collect a biennial occupation or license tax on the licensee in an
23 amount not exceeding the amount of the license fee required to be paid
24 under this act to obtain the license, but no township shall impose an
25 occupation or privilege tax on the licensee in excess of that amount; the
26 township board of the township is authorized to fix and impose the tax and
27 the tax shall be paid by the licensee to the township treasurer, who shall
28 issue a receipt therefor to the licensee and shall cause the tax paid to be
29 placed in the general fund of the township.

30 (k) The fee for a retailer's license shall be \$500.

31 (l) In addition to the license fee prescribed by subsection (k):

32 (1) Any city in which the licensed premises are located may levy and
33 collect a biennial occupation or license tax on the licensee in an amount
34 not less than \$200 nor more than \$600, but no other occupation or excise
35 tax or license fee shall be levied by any city against or collected from the
36 licensee; and

37 (2) any township in which the licensed premises are located may levy
38 and collect a biennial occupation or license tax on the licensee in an
39 amount not less than \$200 nor more than \$600; the township board of the
40 township is authorized to fix and impose the tax and the tax shall be paid
41 by the licensee to the township treasurer, who shall issue a receipt therefor
42 to the licensee and shall cause the tax paid to be placed in the general fund
43 of the township.

1 (m) The license term for a license shall commence on the ~~date the~~
2 ~~license is issued by the director~~ *effective date as specified on the license*
3 and shall end two years after that date. The director may, at the director's
4 sole discretion and after examination of the circumstances, extend the
5 license term of any license for not more than 30 days beyond the date such
6 license would expire pursuant to this section. Any extension of the license
7 term by the director pursuant to this section shall automatically extend the
8 due date for payment by the licensee of any occupation or license tax
9 levied by a city or township pursuant to this section by the same number of
10 days the director has extended the license term.

11 Sec. 2. K.S.A. 2018 Supp. 41-2629 is hereby amended to read as
12 follows: 41-2629. (a) A class B club, drinking establishment, public venue
13 or caterer's license shall be issued for a term not to exceed two years ~~after~~
14 ~~issuance~~ *commencing on the effective date as specified on the license*,
15 except as otherwise provided by law, unless sooner suspended or revoked
16 as provided in this act.

17 (b) The director may, at the director's sole discretion and after
18 examination of the circumstances, extend the license term of any license
19 for not more than 30 days beyond such date the license would expire
20 pursuant to this section. Any extension of the license term by the director
21 pursuant to this section shall automatically extend the due date for
22 payment by the licensee of any occupation or license tax levied by a city
23 or township pursuant to K.S.A. 41-2622, and amendments thereto, by the
24 same number of days the director has extended the license term.

25 (c) A class B club, drinking establishment, public venue or caterer's
26 license shall be purely a personal privilege and shall not constitute
27 property, nor shall it be subject to attachment, garnishment or execution,
28 nor shall it be alienable or transferable, voluntarily or involuntarily, or
29 subject to being encumbered or hypothecated. A class B club, drinking
30 establishment, public venue or caterer's license shall not descend by the
31 laws of testate or intestate devolution but shall cease or expire upon the
32 death of the licensee subject to subsection (d).

33 (d) An executor, administrator or representative of the estate of any
34 deceased holder of a class B club, drinking establishment, public venue or
35 caterer's license, or the trustee of any insolvent or bankrupt class B club,
36 drinking establishment, public venue or caterer's license may continue the
37 licensee's business under order of the appropriate court and may exercise
38 the privilege of the deceased, insolvent or bankrupt licensee after the death
39 of such licensee or after such insolvency or bankruptcy until the expiration
40 of such license, but in no case longer than one year after the death,
41 insolvency or bankruptcy of such licensee.

42 (e) When the licensee pays the full amount of the license fee upon
43 application and is prevented from operating under such license in

1 accordance with the provisions of this act for the entire second year of the
2 license term, a refund shall be made of one-half of the license fee paid by
3 such licensee. The secretary shall adopt, in accordance with K.S.A. 41-
4 210, and amendments thereto, rules and regulations providing for the
5 authorization of refunds of one-half of the license fee paid when the
6 licensee does not use such license for the entire second year of the license
7 term as a result of the cancellation of the license upon the request of the
8 licensee for voluntary reasons.

9 Sec. 3. K.S.A. 2018 Supp. 41-310 and 41-2629 are hereby repealed.

10 Sec. 4. This act shall take effect and be in force from and after its
11 publication in the statute book.