

SESSION OF 2020

SUPPLEMENTAL NOTE ON SENATE BILL NO. 433

As Amended by Senate Committee of the Whole

Brief*

SB 433, as amended, would amend the Kansas Liquor Control Act and Club and Drinking Establishment Act by modifying provisions relating to violation of Alcoholic Beverage Control Division (ABC) orders and the issuance of liquor licenses to certain persons.

Violation of a Lawful ABC Order

The bill would provide that violation of any lawful order issued by the Director of ABC (Director) would be a reason the Director could suspend, involuntarily cancel, or revoke any license issued under either the Kansas Liquor Control Act and Club and Drinking Establishment Act.

Issuance of Liquor Licenses

The bill would amend the Liquor Control Act to allow a person whose spouse is employed as a law enforcement official to be eligible to receive a liquor license, provided the applicant meets the requirements in continuing law.

Current law prohibits licensure of a person whose spouse is employed as a law enforcement official.

[*Note*: 2019 Supp. KSA 41-2623(a)(1), which establishes eligibility for licensure under the Club and Drinking

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Establishment Act, specifically references the eligibility provisions being amended in this bill.]

Background

SB 433 (Violation of a Lawful ABC Order)

SB 433 was introduced by the Senate Committee on Federal and State Affairs (Senate Committee) at the request of the ABC.

In the Senate Committee hearing, the Director provided proponent testimony, stating the bill would clarify and improve the procedures for enforcing administrative orders, would make the process easier to understand for licensees, and would make enforcement easier for staff of the ABC to track.

The Senate Committee recommended the bill be placed on the Consent Calendar on February 24, 2020. The bill was removed from the Consent Calendar and placed on General Orders on February 26, 2020.

The Senate Committee of the Whole amended the bill to insert provisions relating to the issuance of liquor licenses (HB 2571, as amended by the House Committee on Federal and State Affairs [House Committee].)

According to the fiscal note prepared by the Division of Budget on SB 433 as introduced, the Kansas Department of Revenue (KDOR) indicates enactment of the bill would have no fiscal effect on the agency, but would increase efficiency and timeliness of fine payments. Any fiscal effect associated with the bill is not reflected in *The FY 2021 Governor's Budget Report*.

HB 2571 (Issuance of Liquor Licenses)

HB 2571 was introduced by the House Committee at the request of Representative Ellis.

In the House Committee hearing, proponent testimony was provided by a representative of Dirty Girl Adventures, LLC, who stated a spousal law enforcement exception would allow business owners who are not currently able to be licensed to provide a wider variety of services to their customers.

Neutral testimony was provided by a representative of ABC, stating the division would suggest the exception be applied to all license types. The ABC representative also stated the division was concerned with a provision in the bill, as introduced, that could apply differently to statewide law enforcement officials.

The House Committee amended the bill to remove language that would have limited eligibility for licensure under the Club and Drinking Establishment Act to those persons whose spouse was employed as a law enforcement officer with jurisdiction in a different county than the location of the licensee.

According to the fiscal note prepared by the Division of the Budget on HB 2571 as introduced, KDOR estimates enactment of the bill would have no fiscal effect.