

HOUSE BILL No. 2137

AN ACT concerning alcoholic beverages; authorizing the issuance of a license to an individual whose spouse is a law enforcement officer; eliminating the requirement of Kansas residency for licensure; providing for suspension or revocation of licenses for violations of orders issued by the director; authorizing sales on Sunday and certain holidays; authorizing the issuance of fulfillment house licenses; reducing the Kansas grown product requirement for wine and hard cider; allowing the transfer and receipt of bulk wine; allowing the transfer and receipt of bulk alcoholic liquor and cereal malt beverage for canning and bottling purposes; requiring electronic submission of gallonage taxes by special order shipping licensees; authorizing the issuance of a drinking establishment license to manufacturers under certain conditions; authorizing the sale of alcoholic liquor by class A clubs at special events; specifying requirements for serving alcoholic liquor in pitchers; requiring issuance of a cereal malt beverage retailers' license to licensed producers; allowing the sale and removal of beer and cereal malt beverage in certain containers; authorizing certain licensees under the Kansas liquor control act and the club and drinking establishment act to sell and serve cereal malt beverages; amending K.S.A. 41-2604, 41-2619 and 41-2632 and K.S.A. 2020 Supp. 41-102, 41-308, 41-308a, 41-308b, 41-311, 41-311b, 41-320a, 41-350, 41-352, 41-712, 41-718, 41-1201, 41-1202, 41-1203, 41-1204, 41-2601, 41-2608, 41-2610, 41-2611, 41-2613, 41-2614, 41-2623, 41-2632, 41-2637, 41-2640, 41-2641, 41-2642, 41-2643, 41-2653, as amended by section 1 of 2021 Senate Bill No. 14, 41-2655, 41-2658, 41-2659, 41-2703, 41-2704 and 41-2911 and repealing the existing sections.

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

New Section 1. (a) Before making or causing any shipment of alcoholic liquor to Kansas residents, a fulfillment house shall pay a \$50 license fee and obtain such license that will be applicable for each location that is involved in the shipping process to Kansas residents. A fulfillment house license shall commence on the date specified on the license and expire two years after such date. The holder of a fulfillment house license may only provide services for the warehousing, packaging and shipping of alcoholic liquors produced by, and belonging to, a special order shipping licensee in accordance with K.S.A. 41-350, and amendments thereto. A fulfillment house licensee shall make reasonable efforts to confirm that any winery that they ship alcoholic liquor for holds a special order shipping license and may rely on the representations of each such winery for such assurance.

(b) As part of a fulfillment house license application, the applicant shall provide any information as required by rules and regulations adopted by the director and contained in the fulfillment house license application form established by the director.

(c) If the holder of the license is an out-of-state entity, the licensee shall be deemed to have appointed the secretary of state as the resident agent and representative of the licensee to accept service of process from the secretary of revenue, the director and the courts of this state concerning enforcement of this section, K.S.A. 41-501 et seq., and amendments thereto, and any rules and regulations adopted thereunder and to accept service of any notice or order provided for in the liquor control act.

(d) (1) A fulfillment house licensee shall ensure all containers of alcoholic liquors shipped directly to an individual in this state are labeled with the name, address and license number of the fulfillment house licensee. All such containers shall contain a conspicuously printed statement of "SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY".

(2) All containers of alcoholic liquors shipped directly to a resident of this state shall be shipped using a common carrier pursuant to K.S.A. 41-725, and amendments thereto.

(e) (1) A fulfillment house licensee shall:

(A) Maintain records of all shipments for a minimum of three years after the shipment date, that shall include the:

(i) Name, address and license number of the special order shipping licensee;

(ii) name and license number of the express company or common carrier;

(iii) date of each shipment;

(iv) carrier tracking number;

(v) name and address of the consignee of such alcoholic liquors;

and

(vi) weight of the package and product type of alcoholic liquors shipped.

(B) Submit these records as an electronic report to the director monthly in the form and format prescribed by the director.

(2) Reports submitted pursuant to this subsection shall be open records available for public inspection in accordance with the open records act. Any information relating to the name or address of a consignee of any alcoholic liquors shall be redacted from the reports that are made available for public inspection. The provisions of this paragraph providing for the confidentiality of certain public records shall expire on July 1, 2026, unless the legislature reviews and reenacts such provisions in accordance with K.S.A. 45-229, and amendments thereto, prior to July 1, 2026.

(f) A fulfillment house that willfully fails, neglects or refuses to file any report pursuant to subsection (e) shall be subject to a civil penalty of not more than \$100. After notice and an opportunity for hearing in accordance with the Kansas administrative procedure act, the director may refuse to issue or renew or may revoke a fulfillment house license upon a finding that the licensee has failed to comply with any provision of this section.

(g) The secretary of revenue shall adopt rules and regulations to implement, administer and enforce the provisions of this section.

(h) The provisions of this section shall be a part of and supplemental to the Kansas liquor control act.

Sec. 2. K.S.A. 2020 Supp. 41-102 is hereby amended to read as follows: 41-102. As used in this act, unless the context clearly requires otherwise:

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

(b) "Alcoholic candy" means:

(1) For purposes of manufacturing, any candy or other confectionery product with an alcohol content greater than 0.5% alcohol by volume; and

(2) for purposes of sale at retail, any candy or other confectionery product with an alcohol content greater than 1% alcohol by volume.

(c) "Alcoholic liquor" means alcohol, spirits, wine, beer, alcoholic candy and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed by a human being, but shall not include any cereal malt beverage.

(d) "Beer" means a beverage, containing more than 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 such alcoholic content.

(e) "Caterer" ~~has the meaning provided~~ *means the same as defined* by K.S.A. 41-2601, and amendments thereto.

(f) "Cereal malt beverage" ~~has the meaning provided~~ *means the same as defined* by K.S.A. 41-2701, and amendments thereto.

(g) "Club" ~~has the meaning provided~~ *means the same as defined* by K.S.A. 41-2601, and amendments thereto.

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

(i) "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 or cereal malt beverage for sale or resale to retailers licensed under K.S.A. 41-2702, and amendments thereto.

(j) "Domestic beer" means beer which contains not more than 15% alcohol by weight and which is manufactured in this state.

(k) "Domestic fortified wine" means wine which contains more than 14%, but not more than 20% alcohol by volume and which is

manufactured in this state.

(l) "Domestic table wine" means wine which contains not more than 14% alcohol by volume and which is manufactured without rectification or fortification in this state.

(m) "Drinking establishment"—~~has the meaning provided~~ *means the same as defined* by K.S.A. 41-2601, and amendments thereto.

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

(o) "*Fulfillment house*" means any location or facility for any in-state or out-of-state entity that handles logistics, including warehousing, packaging, order fulfillment or shipping services on behalf of the holder of a special order shipping license issued pursuant to K.S.A. 41-350, and amendments thereto.

(p) "Hard cider" means any alcoholic beverage that:

(1) Contains less than 8.5% alcohol by volume;

(2) has a carbonation level that does not exceed 6.4 grams per liter; and

(3) is obtained by the normal alcoholic fermentation of the juice of sound, ripe apples or pears, including such beverages containing sugar added for the purpose of correcting natural deficiencies.

~~(q)~~(q) "Manufacture" means to distill, rectify, ferment, brew, make, mix, concoct, process, blend, bottle or fill an original package with any alcoholic liquor, beer or cereal malt beverage.

~~(r)~~(r) (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 liquor, beer or cereal malt beverage.

(2) "Manufacturer" does not include a microbrewery, microdistillery or a farm winery.

~~(s)~~(s) "Microbrewery" means a brewery licensed by the director to manufacture, store and sell domestic beer and hard cider.

~~(t)~~(t) "Microdistillery" means a facility which produces spirits from any source or substance that is licensed by the director to manufacture, store and sell spirits.

~~(u)~~(u) "Minor" means any person under 21 years of age.

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

~~(w)~~(w) "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. Original container does not include a sleeve.

~~(x)~~(x) "Person" means any natural person, corporation, partnership, trust or association.

~~(y)~~(y) "Powdered alcohol" means alcohol that is prepared in a powdered or crystal form for either direct use or for reconstitution in a nonalcoholic liquid.

~~(z)~~(z) "Primary American source of supply" means the manufacturer, the owner of alcoholic liquor at the time it becomes a marketable product or 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.

~~(aa)~~(aa) (1) "Retailer" means a person who is licensed under the Kansas liquor control act and sells at retail, or offers for sale at retail, alcoholic liquors or cereal malt beverages.

(2) "Retailer" does not include a microbrewery, microdistillery or a farm winery.

~~(bb)~~(bb) "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.

~~(bb)~~(cc) "Salesperson" means any natural person who:

(1) Procures or seeks to procure an order, bargain, contract or agreement for the sale of alcoholic liquor or cereal malt beverage; or

(2) is engaged in promoting the sale of alcoholic liquor or cereal malt beverage, or in promoting the business of any person, firm or corporation engaged in the manufacturing and selling of alcoholic liquor or cereal malt beverage, whether the seller resides within the state of Kansas and sells to licensed buyers within the state of Kansas, or whether the seller resides without the state of Kansas and sells to licensed buyers within the state of Kansas.

~~(ee)~~(dd) "Sample" means a serving of alcoholic liquor that contains not more than: (1) One-half ounce of distilled spirits; (2) one ounce of wine; or (3) two ounces of beer or cereal malt beverage. A "sample" of a mixed alcoholic beverage shall contain not more than ½ ounce of distilled spirits.

~~(dd)~~(ee) "Secretary" means the secretary of revenue.

~~(ee)~~(ff) (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 drinking establishments, licensed caterers or holders of temporary permits.

(2) "Sell at retail" and "sale at retail" do not refer to or mean sales by a distributor, a microbrewery, a farm winery, a licensed club, a licensed drinking establishment, a licensed caterer or a holder of a temporary permit.

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

~~(gg)~~(hh) "Sleeve" means a package of two or more 50-milliliter *or* (3.2-fluid-ounce) containers of spirits.

~~(hh)~~(ii) "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.

~~(ii)~~(jj) "Supplier" means a manufacturer of alcoholic liquor or cereal malt beverage or an agent of such manufacturer, other than a salesperson.

~~(jj)~~(kk) "Temporary permit" ~~has the meaning provided means the same as defined~~ by K.S.A. 41-2601, and amendments thereto.

~~(kk)~~(ll) "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. ~~The term "Wine" shall include~~ *includes* hard cider and any other product that is commonly known as a subset of wine.

Sec. 3. K.S.A. 2020 Supp. 41-308 is hereby amended to read as follows: 41-308. (a) Except as provided in K.S.A. 2020 Supp. 41-308d, and amendments thereto, a retailer's license shall allow the licensee to sell and offer for sale at retail and deliver in the original package, as therein prescribed, alcoholic liquor and cereal malt beverage for use or consumption off and away from the premises specified in such license.

(b) A retailer's license shall permit sale and delivery of alcoholic liquor and cereal malt beverage only on the licensed premises and shall not permit sale of alcoholic liquor and cereal malt beverage for resale in any form, except that a licensed retailer may:

(1) Sell alcoholic liquor and cereal malt beverage to a temporary permit holder for resale by such permit holder; ~~and~~

(2) sell and deliver alcoholic liquor and cereal malt beverage to a caterer or to the licensed premises of a public venue, club or drinking establishment, if such premises are in the county where the retailer's premises are located or in an adjacent county, for resale by such public

venue, club, establishment or caterer; *and*

(3) sell and deliver cereal malt beverage and beer containing not more than 6% alcohol by volume to the licensed premises of a cereal malt beverage retailer, as defined in K.S.A. 41-2701, and amendments thereto, who is licensed for on-premises consumption, if such cereal malt beverage premises are located in the same county, or an adjacent county to the county where the retailer's premises are located, for resale by such cereal malt beverage retailer.

(c) A retailer may:

(1) Charge a delivery fee for delivery of alcoholic liquor and cereal malt beverage to a public venue, club, drinking establishment or caterer pursuant to subsection (b)(2);

(2) charge a delivery fee for delivery of cereal malt beverage and beer containing not more than 6% alcohol by volume to a cereal malt beverage retailer pursuant to subsection (b)(3);

(3) sell lottery tickets and shares to the public in accordance with the Kansas lottery act, if the retailer is selected as a lottery retailer;

~~(3)~~(4) include in the sale of alcoholic liquor and cereal malt beverage any goods included by the manufacturer in packaging with the alcoholic liquor or cereal malt beverage, subject to the approval of the director;

~~(4)~~(5) distribute to the public, without charge, consumer advertising specialties bearing advertising matter, subject to rules and regulations of the secretary limiting the form and distribution of such specialties so that they are not conditioned on or an inducement to the purchase of alcoholic liquor or cereal malt beverage;

~~(5)~~(6) store alcoholic liquor and cereal malt beverage in refrigerators, cold storage units, ice boxes or other cooling devices, and the licensee may sell such alcoholic liquor and cereal malt beverage to consumers in a chilled condition; ~~and~~

~~(6)~~(7) sell any other good or service on the licensed premises, except that the gross sales of other goods and services, excluding fees derived from the sale of lottery tickets and revenues from sales of cigarettes and tobacco products, shall not exceed 20% of the retailer's total gross sales; *and*

(8) sell containers of beer, domestic beer and cereal malt beverage that are sold on the licensed premises to consumers and served in refillable and sealable containers for consumption off the licensed premises if such containers:

(A) Contain between 32 and 64 fluid ounces; and

(B) have a label affixed that clearly indicates the licensee's name and the type of alcoholic beverage contained in such container.

(d) All alcoholic liquor, cereal malt beverage and nonalcoholic malt beverage sold by a holder of a retail license shall be subject to the liquor enforcement tax imposed by K.S.A. 79-4101, and amendments thereto.

Sec. 4. K.S.A. 2020 Supp. 41-308a is hereby amended to read as follows: 41-308a. (a) A farm winery license shall allow:

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

(2) the sale of wine, manufactured by the licensee, to licensed wine distributors, retailers, public venues, clubs, drinking establishments, holders of temporary permits as authorized by K.S.A. 2020 Supp. 41-1201, and amendments thereto, and caterers;

(3) the manufacture for and sale of wine to holders of producer licenses as authorized by K.S.A. 2020 Supp. 41-355, and amendments thereto. Wine manufactured for a producer licensee shall be included in the farm winery licensee's annual production for purposes of subsection (c). The label for any such wine manufactured by the farm winery licensee, as filed with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, may be owned by either the farm winery or the producer licensee for whom the wine was manufactured;

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

(5) 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 wine manufactured by the licensee or imported under subsection ~~(e)~~ (f), if the licensed premises are located in a county where the sale of alcoholic liquor is permitted by law in licensed drinking establishments;

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

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

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

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

(10) the sale and shipping of wine within this state pursuant to a permit issued pursuant to K.S.A. 2020 Supp. 41-350, and amendments thereto;

(11) *the transfer or receipt of wine in a bulk container or packaged wine in bond to any bonded premises pursuant to 26 U.S.C. § 5362(b)(1) and 27 C.F.R. § 24.280 through 24.284, as in effect on July 1, 2021;*

(12) *the transfer or receipt of wine in a bulk container in bond to a distilled spirits plant for use in the manufacture of distilled spirits pursuant to 26 U.S.C. § 5362(b)(2), (b)(3) and (c)(6) and 27 C.F.R. § 24.280 through 24.290, as in effect on July 1, 2021;*

(13) *the receipt of distilled spirits in a bulk container pursuant to 26 U.S.C. § 5214(a)(5) and 27 C.F.R. § 19.402 through 19.407, as in effect on on July 1, 2021; and*

(14) *the production of fortified wine with the addition of wine spirits to domestic wine if the spirits added are produced from the same kind of fruit that was used to produce the wine pursuant to 26 U.S.C. § 5382(b)(2), as in effect on July 1, 2021.*

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

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

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

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

(c) (1) Not less than 30% of the products utilized in the

manufacture of domestic table wine and domestic fortified wine by a farm winery shall be grown in Kansas except when a lesser proportion is authorized by the director based upon the director's findings and judgment. The production requirement of this subsection shall be determined based on the annual production of domestic table wine and domestic fortified wine by the farm winery.

(2) *On and after July 1, 2021, the percentage of products utilized in the manufacture of domestic table wine and domestic fortified wine by a farm winery required to be grown in Kansas shall be not less than 15%.*

(3) *The provisions of this subsection shall expire on January 1, 2023.*

(d) *A farm winery licensee may import wine from outside Kansas for use in the production of its domestic table wine and domestic fortified wine and shall report such imports on forms prescribed by the director.*

~~(e)~~(e) A farm winery or winery outlet may sell domestic wine and domestic fortified wine in the original unopened container to consumers for consumption off the licensed premises at any time between 6 a.m. and 12 midnight on any day. If authorized by subsection (a), a farm winery may serve samples of wine manufactured by the licensee and wine imported under subsection ~~(e)~~ (f) and serve and sell domestic wine, domestic fortified wine and other alcoholic liquor for consumption on the licensed premises at any time when a club or drinking establishment is authorized to serve and sell alcoholic liquor. If authorized by subsection (b), a winery outlet may serve samples of domestic wine, domestic fortified wine and wine imported under subsection ~~(e)~~ (f) at any time when the winery outlet is authorized to sell domestic wine and domestic fortified wine.

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

~~(f)~~(g) A farm winery license or winery outlet 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.

~~(g)~~(h) No farm winery or winery outlet shall:

(1) Employ any person under the age of 18 years in connection with 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 on-premise supervision of either the licensee or an employee of the licensee who is 21 years of age or over;

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

(4) employ any person in connection with the manufacture or sale of alcoholic liquor if the person has been convicted of a felony; *or*

(5) *transfer wine in a bulk container to the premises of a brewery pursuant to 26 U.S.C. § 5411 and 27 C.F.R. § 25.23, as in effect on July 1, 2021.*

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

(j) *For purposes of this section, the terms in subsections (a)(11) through (a)(14) and (h)(5), if not otherwise defined in K.S.A. 41-102, and amendments thereto, mean the same as such terms are defined in title 27, chapter I, subchapter A of the code of federal regulations, as in effect on July 1, 2021.*

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

Sec. 5. K.S.A. 2020 Supp. 41-308b is hereby amended to read as follows: 41-308b. (a) A microbrewery license shall allow:

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

(2) the manufacture in the aggregate of not more than 100,000 gallons of hard cider during the calendar year and the storage thereof;

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

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

(5) the sale, on the licensed premises in refillable and sealable containers to consumers for consumption off the licensed premises, of beer manufactured by the licensee, subject to the following conditions:

(A) Containers described in this paragraph shall contain not less than 32 fluid ounces and not more than 64 fluid ounces of beer; and

(B) the licensee shall affix a label to all containers sold pursuant to this paragraph clearly indicating the licensee's name and the name and type of beer contained in such container;

(6) 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 and hard cider 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;

(7) if the 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;

(8) if the 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;

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

(10) the transfer of beer and hard cider manufactured by the licensee pursuant to a contract entered into in accordance with subsection (b) to the contracting microbrewery.

(b) (1) A microbrewery may contract with one or more microbreweries for the purpose of manufacturing beer or hard cider for such other microbreweries. A microbrewery located in this state may manufacture and package beer and hard cider for a microbrewery located within or outside of Kansas.

(2) A microbrewery manufacturing beer or hard cider for another microbrewery shall be responsible for complying with all federal and state laws dealing with the manufacturing of beer and hard cider, including labeling laws, and shall be responsible for the payment of all federal and state taxes on the beer and hard cider.

(3) Each party engaged in a contract brewing agreement must count the total amount of barrels and gallons manufactured as part of

the agreement and include that total amount as part of their allowed aggregate total as provided in subsection (a).

(c) (1) Not less than 30% of the products utilized in the manufacture of hard cider by a microbrewery shall be grown in Kansas except when a lesser proportion is authorized by the director based upon the director's findings and judgment. The production requirement of this subsection shall be determined based on the annual production of domestic hard cider.

(2) *On and after July 1, 2021, the percentage of products utilized in the manufacture of hard cider by a microbrewery required to be grown in Kansas shall be not less than 15%.*

(3) *The provisions of this subsection shall expire on January 1, 2023.*

(d) Upon application and payment of the fee prescribed by K.S.A. 41-310, 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 and hard cider manufactured by the licensee, for the purpose of packaging or storage, or both;

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

(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; and

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

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

(f) The director may issue to the Kansas state fair or any bona fide group of brewers a permit to import into this state small quantities of beer. Such beer shall be used only for bona fide educational and scientific tasting programs and shall not be resold. Such beer shall not be subject to 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 quantity to be imported, the tasting programs for which the beer is to be used and the times and locations of such programs. The secretary shall adopt rules and regulations governing the importation of beer pursuant to this subsection and the conduct of tasting programs for which such beer is imported.

(g) 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.

(h) No microbrewery shall:

(1) Employ any person under the age of 18 years in connection with 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 on-premises supervision of either the licensee or an employee of the licensee who is 21 years of age or over;

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

(4) employ any person in connection with the manufacture or sale

of alcoholic liquor if the person has been convicted of a felony.

(i) Whenever a microbrewery 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 in accordance with the Kansas administrative procedure act.

Sec. 6. K.S.A. 2020 Supp. 41-311 is hereby amended to read as follows: 41-311. (a) No license of any kind shall be issued pursuant to the liquor control act to a person:

- (1) Who is not a citizen of the United States;
 - (2) who has been convicted of a felony under the laws of this state, any other state or the United States;
 - (3) who has had a license revoked for cause under the provisions of the liquor control act, the beer and cereal malt beverage keg registration 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;
 - (4) who has been convicted of being the keeper or is keeping any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older or has forfeited bond to appear in court to answer charges of being a keeper of any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older;
 - (5) who has been convicted of 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;
 - (6) who is not at least 21 years of age;
 - (7) who, other than as a member of the governing body of a city or county, appoints or supervises any law enforcement officer, who is a law enforcement official or who is an employee of the director;
 - (8) who intends to carry on the business authorized by the license as agent of another;
 - (9) 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, except as provided by subsection (a)(12);
 - (10) who is the holder of a valid and existing license issued under article 27 of chapter 41 of the Kansas Statutes Annotated, and amendments thereto, 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 retailer licensed pursuant to K.S.A. 41-2702, and amendments thereto, shall be eligible to receive a retailer's license under the Kansas liquor control act;
 - (11) who does not own the premises for which a license is sought, or does not, at the time of application, have a written lease thereon;
 - (12) whose spouse would be ineligible to receive a license under this act for any reason other than citizenship, ~~residence~~ requirements or age, except that this ~~subsection (a)(12) paragraph~~ shall not apply in determining eligibility for a renewal license *or to a person whose spouse is a law enforcement officer*;
 - (13) whose spouse has been convicted of a felony or other crime ~~which that~~ would disqualify a person from licensure under this section and such felony or other crime was committed during the time that the spouse held a license under this act;
 - (14) who does not provide any data or information required by K.S.A. 2020 Supp. 41-311b, and amendments thereto; or
 - (15) who, after a hearing before the director, has been found to have held an undisclosed beneficial interest in any license issued pursuant to the liquor control act ~~which that~~ was obtained by means of fraud or any false statement made on the application for such license.
- (b) No retailer's license shall be issued to:
- (1) ~~A person who is not a resident of this state;~~

~~(2) a person who has not been a resident of this state for at least four years immediately preceding the date of application;~~

~~(3) A person who has a beneficial interest in a manufacturer, distributor, farm winery or microbrewery licensed under this act, except that the spouse of an applicant for a retailer's license may own and hold a farm winery license, microbrewery license, or both, if the spouse does not hold a retailer's license issued under this act;~~

~~(4)(2) a person who has a beneficial interest in any other retail establishment licensed under this act, except that the spouse of a licensee may own and hold a retailer's license for another retail establishment;~~

~~(5)(3) a copartnership, unless all of the copartners are qualified to obtain a license;~~

~~(6)(4) a corporation; or~~

~~(7)(5) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license.~~

(c) No manufacturer's license shall be issued to:

(1) A corporation, if any officer 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 individually eligible to receive a manufacturer's license under this act;~~

(3) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license; *or*

~~(4) an individual who is not a resident of this state;~~

~~(5) an individual who has not been a resident of this state for at least five years immediately preceding the date of application; or~~

~~(6) a person who has a beneficial interest in a distributor, retailer, farm winery or microbrewery licensed under this act, except as provided in K.S.A. 41-305, and amendments thereto.~~

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

(1) A corporation, if any officer, 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) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license; or

(4) a person who has a beneficial interest in a manufacturer, retailer, farm winery or microbrewery licensed under this act.

(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.

(f) No microbrewery license, microdistillery license or farm winery license shall be issued to a:

(1) ~~Person who is not a resident of this state;~~

(2) ~~Person who has a beneficial interest in a manufacturer or distributor licensed under this act, except as provided in K.S.A. 41-305, and amendments thereto;~~

(3) ~~person, copartnership or association—~~*which that* has a beneficial interest in any retailer licensed under this act or under K.S.A. 41-2702, and amendments thereto, except that the spouse of an applicant for a microbrewery or farm winery license may own and hold a retailer's license if the spouse does not hold a microbrewery or farm winery license issued under this act;

(4) ~~copartnership, unless all of the copartners are qualified to obtain a license;~~

(5) ~~corporation, unless stockholders owning in the aggregate 50% or more of the stock of the corporation would be eligible to receive such license and all other stockholders would be eligible to receive such license except for reason of citizenship or residency; or~~

(6) ~~a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license.~~

(g) ~~The provisions of subsections (b)(1), (b)(2), (c)(3), (c)(4), (d)(3), (f)(1) and K.S.A. 2020 Supp. 41-311b, and amendments thereto, shall not apply in determining eligibility for the 10th, or a subsequent, consecutive renewal of a license—~~*If the applicant is not a Kansas resident, no license shall be issued until the applicant has appointed a citizen of the United States who is a resident of Kansas as the applicant's agent and filed with the director a duly authenticated copy of a duly executed power of attorney, authorizing the agent to accept service of process from the director and the courts of this state and to exercise full authority, control and responsibility for the conduct of all business and transactions within the state relative to alcoholic liquor and the business licensed. The agent must be satisfactory to and approved by the director, except that the director shall not approve as an agent any person who:*

(1) Has been convicted of a felony under the laws of this state, any other state or the United States;

(2) has had a license issued under the alcoholic liquor or cereal malt beverage laws of this or any other state revoked for cause, except that a person may be appointed as an agent if the person's license was revoked for the conviction of a misdemeanor and 10 years have lapsed since the date of the revocation;

(3) has been convicted of being the keeper or is keeping any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older or has forfeited bond to appear in court to answer charges of being a keeper of any property, whether real or personal, where sexual relations

are being sold or offered for sale by a person who is 18 years of age or older;

(4) has been convicted of 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; or

(5) is less than 21 years of age.

Sec. 7. K.S.A. 2020 Supp. 41-311b is hereby amended to read as follows: 41-311b. (a) If an applicant for licensure is not a resident of the state of Kansas on the date of submission of such application ~~or has not been a resident for at least one year immediately preceding the date of submission of such application~~, the director ~~shall~~ *may* require the individual applicant, or if the applicant is a corporation, partnership or trust, each individual officer, director, stockholder, copartner or trustee to:

(1) Submit to a national criminal history record check and provide the director with a legible set of fingerprints;

(2) disclose to the director any substantial financial interest the applicant owns in any entity that receives proceeds from the sale of alcoholic beverages; and

(3) submit a release allowing the director to have access to and review of the applicant's financial records to verify ownership and to ensure applicant is not an agent of another person. This release shall remain in effect after the license has been issued until the license is canceled or revoked.

(b) The director shall submit the fingerprints provided under subsection (a) to the Kansas bureau of investigation and to the federal bureau of investigation and receive a reply to enable the director to verify the identity of such applicant or such individuals specified in subsection (a) and whether such applicant or such individuals have been convicted of any crimes that would disqualify the applicant or such individuals from holding a license under the liquor control act. The director is authorized to use the information obtained from the national criminal history record check to determine such applicant's or individual's eligibility to hold a license under the liquor control act.

(c) All costs incurred pursuant to this section to ensure that the applicant is qualified for licensure shall be paid by the applicant.

Sec. 8. K.S.A. 2020 Supp. 41-320a is hereby amended to read as follows: 41-320a. (a) The director may suspend, involuntarily cancel or revoke any license issued pursuant to the Kansas liquor control act if, after notice and an opportunity for a hearing, the director determines that the licensee has:

(1) Fraudulently obtained the license by providing false information on the application therefor, or at any hearing thereon;

(2) violated any of the provisions of the Kansas liquor control act, ~~or any rules or regulations adopted pursuant to such act~~ *or any lawful order issued by the director*; or

(3) become ineligible to obtain a license or permit under K.S.A. 41-311 or K.S.A. 2020 Supp. 41-311b, and amendments thereto.

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

Sec. 9. K.S.A. 2020 Supp. 41-350 is hereby amended to read as follows: 41-350. (a) For the purposes of this act, the term "winery" means any maker or producer of wine whether in this state or in any other state, who holds a valid federal basic wine manufacturing permit. The terms "director" and "secretary" have the meaning ascribed to these terms in K.S.A. 41-102, and amendments thereto.

(b) Any winery may be authorized to make direct shipments of wine to consumers in this state upon obtaining a special order shipping license from the secretary pursuant to this act.

(1) A special order shipping license shall only be issued to a winery upon compliance with all applicable provisions of this act and the regulations promulgated pursuant to this act, and upon payment of a license fee in the amount of \$100. The license term for a special order

shipping license shall commence on the date ~~the license is issued by the director~~ *specified on the license* and shall end two years after that date.

(2) A special order shipping license shall entitle the winery to ship wine upon order directly to consumers for personal or household use in this state. The purchaser shall pay the purchase price and all shipping costs directly to the permit holder. Enforcement taxes collected herein shall be paid solely on the purchase price and not on the shipping costs.

(c) No holder of a special order shipping license shall be permitted to ship in excess of 12 standard cases of wine of one brand or a combination of brands into this state to any one consumer or address per calendar year.

(d) (1) Before accepting an order from a consumer in this state, the holder of a special order shipping license shall require that the person placing the order to state affirmatively that he or she is 21 years of age or older and shall verify the age of such person placing the order either by the physical examination of an approved government issued form of identification or by utilizing an internet based age and identification service approved by the director of alcoholic beverage control, or the director's designee.

(2) Every shipment of wine by the holder of a special order shipping license shall be clearly marked 'Alcoholic Beverages, Adult Signature Required' and the carrier delivering such shipment shall be responsible for obtaining the signature of an adult who is at least 21 years of age as a condition of delivery.

(e) A special order shipping license shall not authorize the shipment of any wine to any premises licensed to sell alcoholic beverages pursuant to this act or the club and drinking establishment act.

(f) The failure to comply strictly with the requirements of this act and rules and regulations promulgated pursuant to this act shall be grounds for the revocation of a special order shipping license or other disciplinary action by the director. After notice and an opportunity for hearing in accordance with the provisions of the Kansas administrative procedure act, the director may refuse to issue or renew or may revoke a shipping permit upon a finding that the permit holder has failed to comply with any provision of this section or K.S.A. 41-501 et seq., and amendments thereto, or any rules and regulations adopted pursuant to such statutes. Upon revocation of a special order shipping license for shipment of wine to a person not of legal age as required herein such winery shall not be issued any special order shipping license pursuant to this act for a period of one year from the date of revocation.

(g) The holder of a special order shipping license shall collect all gallonage taxes imposed by K.S.A. 41-501 et seq., and amendments thereto, shall *on a quarterly basis electronically* remit such taxes ~~annually~~ in a manner prescribed by the secretary and shall accompany such remittance with ~~such any~~ reports, documentation ~~and or~~ other information as may be required by the secretary. In addition, an applicant for and a holder of a special order shipping license, as a condition of receiving and holding a valid license, shall:

(1) Collect and pay the applicable Kansas enforcement tax on each sale shipped to a consumer in Kansas imposed by K.S.A. 79-4101 et seq., and amendments thereto;

(2) accompany each remittance with such sales tax reports, documentation and other information as may be required by the director of taxation; and

(3) if the holder of the license is an out-of-state shipper, the licensee shall be deemed to have appointed the secretary of state as the resident agent and representative of the licensee to accept service of process from the secretary of revenue, the director and the courts of this state concerning enforcement of this section, K.S.A. 41-501 et seq., and amendments thereto, and any related laws and rules and regulations and to accept service of any notice or order provided for in the liquor control act.

(h) The secretary of revenue may adopt rules and regulations to

implement, administer and enforce the provisions of this section.

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

Sec. 10. K.S.A. 2020 Supp. 41-352 is hereby amended to read as follows: 41-352. (a) Any manufacturer or supplier of alcoholic liquor or cereal malt beverage, whether licensed in this state or any other state, or a holder of a distilled spirits plant permit issued by the alcohol and tobacco tax and trade bureau of the United States department of treasury may apply for an annual packaging and warehousing facility permit. The application shall be on a form prescribed by the director and shall include all information the director deems necessary.

(b) A packaging and warehousing facility permit shall allow *the*:

(1) ~~The~~ Transfer of alcoholic liquor or cereal malt beverage to the licensed premises of a packaging and warehousing facility for the purpose of packaging or storage, or both;

(2) ~~the~~ sale and transfer from the licensed premises of a packaging and warehousing facility to the licensed premises of a spirits, wine or beer distributor licensed in Kansas or to a Kansas supplier; ~~and~~

(3) ~~the~~ transfer from the licensed premises of a packaging and warehousing facility to another state; *and*

(4) *receipt and transfer of alcoholic liquor in a bulk container from any manufacturer, supplier, farm winery, microbrewery or microdistillery of alcoholic liquor or cereal malt beverage, whether licensed in this state or any other state, for purposes of packaging in cans or bottles.*

(c) The annual fee for a packaging and warehousing facility permit shall be \$2,500.

(d) Each brand and label of alcoholic liquor or cereal malt beverage that is intended for sale to distributors in Kansas and is transported, packaged or stored at a licensed packaging and warehousing facility must be registered in accordance with the provisions of K.S.A. 41-331, and amendments thereto.

(e) The tax imposed pursuant to K.S.A. 41-501, and amendments thereto, shall be paid on alcoholic liquor or cereal malt beverage imported into this state under a packaging and warehousing facility permit only if the alcoholic liquor or cereal malt beverage is sold to a distributor for sale at wholesale in this state and shall be paid by the distributor who purchases the alcoholic liquor or cereal malt beverage for sale at wholesale.

(f) *For purposes of this section, the terms in subsections (a) and (b)(4), if not otherwise defined in K.S.A. 41-102, and amendments thereto, mean the same as such terms are defined in title 27, chapter I, subchapter A of the code of federal regulations, as in effect on July 1, 2021.*

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

Sec. 11. K.S.A. 2020 Supp. 41-712 is hereby amended to read as follows: 41-712. (a) Within any city where the days of sale at retail of alcoholic liquor in the original package have not been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, ~~and within any township where the days of sale at retail of alcoholic liquor in the original package have not been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto,~~ no person shall sell at retail any alcoholic liquor in the original package: (1) On Sunday; (2) on ~~Memorial Day, Independence Day, Labor Day,~~ Thanksgiving Day or Christmas Day; or (3) before 9 a.m. or after 11 p.m. on any day when the sale is permitted. The governing body of any city by ordinance may require the closing of premises prior to 11 p.m., but such ordinance shall not require closing prior to 8 p.m.

(b) Within any city where the days of sale at retail of alcoholic

liquor in the original package have been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, and within any township where the days of sale at retail of alcoholic liquor in the original package have been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, no person shall sell at retail alcoholic liquor in the original package: (1) On Sunday ~~before 12 noon or after~~ *not earlier than 9 a.m. and not later than 8 p.m.*; (2) on Easter Sunday, Thanksgiving Day or Christmas Day; or (3) before 9 a.m. or after 11 p.m. on any day when the sale is permitted. The governing body of any city by ordinance may require the closing of premises prior to 11 p.m., but such ordinance shall not require closing prior to 8 p.m.

Sec. 12. K.S.A. 2020 Supp. 41-718 is hereby amended to read as follows: 41-718. (a) No person except a manufacturer, distributor, microbrewery, microdistillery, 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.

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

(c) *This section shall not apply to the sale of beer, domestic beer or cereal malt beverage by a retailer in accordance with K.S.A. 41-308(c)(8), and amendments thereto.*

Sec. 13. K.S.A. 2020 Supp. 41-1201 is hereby amended to read as follows: 41-1201. (a) A temporary permit shall allow the permit holder to offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption on licensed or unlicensed premises, or on premises that are otherwise subject to a separate temporary permit, that may be open to the public, subject to the terms of such permit. A temporary permit shall also authorize the permit holder to sell, in accordance with rules and regulations adopted by the secretary, alcoholic liquor at a charitable auction, or one or more limited issue porcelain containers containing alcoholic liquor.

(b) A temporary permit holder may charge a fee for entrance into the premises described in the permit, or any portion thereof.

(c) The director may issue a temporary permit to any one or more persons or organizations applying for such a permit, in accordance with rules and regulations of the secretary. The permit shall be issued in the names of the persons or organizations to which it is issued.

(d) Applications for temporary permits shall be required to be filed with the director not less than 14 days before the event for which the permit is sought, unless the director waives such requirement for good cause. The application shall be upon a form prescribed by the director. Each application shall be electronically submitted and accompanied by a non-refundable permit fee of \$25 for each day for which the permit is issued, and such fee shall be paid by a check or credit card in the full amount thereof. All permit fees collected by the director pursuant to this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(e) Each application for a temporary permit shall specify the premises for which ~~they are~~ *such permit is* issued, including a diagram of the premises covered by the temporary permit. The diagram shall clearly show the boundaries of the premises, entrances to and exits from the premises and the area in which the service of alcoholic liquor *or cereal malt beverage* would take place. A temporary permit shall be issued only for premises where the city, county or township zoning code allows the use for which the permit is issued. No temporary permit shall be issued for premises that are not located in a county

where the qualified electors of the county:

(1) (A) Approved, by a majority vote of those voting thereon, to adopt the proposition amending section 10 of article 15 of the constitution of the state of Kansas at the general election in November, 1986; or

(B) have approved a proposition to allow the sale of liquor by the individual drink in public places within the county at an election pursuant to K.S.A. 41-2646, and amendments thereto; and

(2) have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(f) (1) (A) A temporary permit may be issued for the consumption of alcoholic liquor *or cereal malt beverage* on a city, county or township street, alley, road, sidewalk or highway for an event if: ~~(A)~~ (i) Such street, alley, road, sidewalk or highway is closed to motor vehicle traffic by the governing body of such city, county or township for such event; ~~(B)~~ (ii) a written request for such consumption and possession of such alcoholic liquor *or cereal malt beverage* has been made to the local governing body; and ~~(C)~~ (iii) the event has been approved by the governing body of such city, county or township by ordinance or resolution.

(B) The boundaries of any such event shall be clearly marked by signs, a posted map or other means ~~which~~ that reasonably identify the area in which alcoholic liquor *or cereal malt beverage* may be possessed or consumed at such event.

(2) Drinking establishments that are immediately adjacent to, or located within the licensed premises of an event, for which a temporary permit has been issued and the consumption of alcoholic liquor *or cereal malt beverage* on public property has been approved, may request that the drinking establishment's licensed premises be extended into and made a part of the licensed premises of the event, for the duration of the temporary permit issued for such event.

(3) Each licensee selling alcoholic liquor *or cereal malt beverage* for consumption on the premises of an event for which a temporary permit has been issued shall be liable for violations of all laws governing the sale and consumption of alcoholic liquor *or cereal malt beverage*.

(4) Each temporary permit holder selling alcoholic liquor *or cereal malt beverage* for consumption on the permit premises shall be liable for all violations of laws governing the sale and consumption of alcoholic liquor *and cereal malt beverage* that occur in areas covered by multiple temporary permits.

(g) (1) Except as otherwise provided in this subsection, a temporary permit shall be issued for a period of time not to exceed three consecutive days, the dates and hours of which shall be specified in the permit. An applicant may not be issued more than four temporary permits in a calendar year.

(2) The director may issue a sufficient number of temporary permits as required by the state fair board, valid for the entire period of time of the Kansas state fair, ~~which~~ that authorizes the sale of wine in its original, unopened container and the serving by the drink of wine ~~or~~, beer; ~~or both~~ *cereal malt beverage, or any combination thereof*, on the state fairgrounds on premises specified in the temporary permit, by a person who has entered into an agreement with the state fair board for that purpose subject to the conditions imposed by the state fair board. Nothing in this paragraph shall be construed to limit the number of temporary permits the director may issue for the sale of wine ~~or~~, beer; ~~or both~~ *cereal malt beverage, or any combination thereof*, on the state fairgrounds consistent with the requirements of the state fair board.

(3) For an event approved by the governing body of a city, county or township pursuant to subsection (e)(1), the director may issue a temporary permit, ~~which~~ that may, at the director's discretion, be valid for the entire period of such event, but in no event shall such permit be issued for a period of time that exceeds 30 consecutive days.

(h) An application for a temporary permit may be rejected by the director if:

(1) The applicant has been granted four permits in the current calendar year;

(2) the application was not filed with the director at least 14 days prior to the event;

(3) the applicant, or any officer, director, partner, registered agent, trustee, manager or owner of the applicant has previously owned or operated any entity holding a temporary permit, club, drinking establishment or caterer's license, had such permit or license surrendered, and at the time such permit or license was surrendered had been ordered to appear and show cause why the permit or license should not be revoked or suspended;

(4) the applicant has designated an area for an event that was the subject of the order to appear and show cause as set forth in paragraph (3), and it appears that the new application for a temporary permit covering the premises is an attempt to avoid any possible remedial action taken by the director against the former permit or license holder; or

(5) the applicant has had a license or permit revoked under the club and drinking establishment act, or has been convicted of a violation of the Kansas liquor control act, the club and drinking establishment act, the Kansas cereal malt beverage act or the provisions of K.S.A. 79-41a01 et seq., and amendments thereto.

(i) (1) A temporary permit holder may purchase and possess alcoholic liquor *or cereal malt beverage* for resale for a period of three days prior to the first day of sale of such alcoholic liquor *or cereal malt beverage*. A distributor may, without any further permission from the director, deliver such alcoholic liquor *or cereal malt beverage* to the permit premises.

(2) If a licensee has sold alcoholic liquor *or cereal malt beverage* to a temporary permit holder, and a distributor directly delivers such alcoholic liquor *or cereal malt beverage* to such temporary permit holder, but such licensee's normal hours of operation make immediate payment to the distributor impossible, the licensee may pay the retailer and the retailer may pay the distributor for such alcoholic liquor *or cereal malt beverage* within 48 hours of the sale.

(3) Within three business days after the end of an event conducted pursuant to a temporary permit, the temporary permit holder may sell back to the retailer or farm winery from whom alcoholic liquor *or cereal malt beverage* was purchased any alcoholic liquor *or cereal malt beverage* sold to the temporary permit holder for such event.

(4) Upon written permission from the director and after four business days after the end of an event conducted pursuant to a temporary permit, the temporary permit holder may sell back to the licensee from whom alcoholic liquor *or cereal malt beverage* was purchased any alcoholic liquor *or cereal malt beverage* sold to the temporary permit holder for such event.

(j) A temporary permit shall not be transferable or assignable.

(k) Each temporary permit holder shall not employ or use the services of any person:

(1) Who is under ~~the age of~~ 18 years *of age* to serve alcoholic liquor *or cereal malt beverage*;

(2) who is under ~~the age of~~ 21 years *of age* to mix or dispense drinks containing alcoholic liquor *or cereal malt beverage*;

(3) who is under ~~the age of~~ 21 years *of age* and not supervised by the temporary permit holder or an employee who is at least 21 years of age;

(4) who has been convicted of a felony or of any crime involving a morals charge to dispense, mix or serve alcoholic liquor *or cereal malt beverage*; or

(5) who has been convicted within the previous two years of a violation of any intoxicating liquor law of this state, any other state or the United States; to dispense, mix or serve alcoholic liquor *or cereal*

malt beverage.

Sec. 14. K.S.A. 2020 Supp. 41-1202 is hereby amended to read as follows: 41-1202. (a) A temporary permit holder shall only purchase alcoholic liquor *or cereal malt beverage* from a retailer or a farm winery and may receive delivery of such alcoholic liquor *or cereal malt beverage* from a distributor.

(b) Temporary permit holders shall only purchase alcoholic liquor *or cereal malt beverage* from a retailer who possesses a federal wholesaler's basic permit and who has a sign on display at the licensed premises that states that the licensee is a "Wholesale Liquor Dealer Under Federal Law." All alcoholic liquor *or cereal malt beverage* purchased on any one day shall be removed from the licensed premises of the retailer or farm winery within 48 hours. Temporary permit holders shall not warehouse any alcoholic liquor *or cereal malt beverage* on the licensed premises of any retailer or farm winery for more than 48 hours.

(c) Each temporary permit holder, when purchasing alcoholic liquor *or cereal malt beverage* from a retailer or farm winery, shall obtain and keep for at least one year from the date of purchase a sales receipt that contains the following information:

- (1) The date of purchase;
- (2) the name and address of the retailer or farm winery;
- (3) the name and address of the temporary permit holder as it appears on the temporary permit;
- (4) the brand, size, proof and amount of all alcoholic liquor *or cereal malt beverage* purchased; and
- (5) the subtotal of the cost of all alcoholic liquor *or cereal malt beverage* purchased, and the total cost of such purchase, including enforcement tax.

(d) Each temporary permit holder shall be responsible for all violations of the club and drinking establishment act by the following people while on the permit premises:

- (1) An employee of the temporary permit holder, or of any person contracting with the temporary permit holder to provide services or food in connection with an event; or
- (2) any individual dispensing, mixing or serving alcoholic liquor *or cereal malt beverage* at an event.

(e) Except for a temporary permit holder who has obtained such permit for the sale of alcoholic liquor at a charitable auction or for the sale of one or more limited issue porcelain containers containing alcoholic liquor, no temporary permit holder shall sell alcoholic liquor *or cereal malt beverage* for removal from or consumption off the licensed premises, except that alcoholic liquor *or cereal malt beverage* may be removed to a drinking establishment that has extended its premises into the event area in accordance with K.S.A. 41-2608, and amendments thereto.

(f) The boundary of any premises covered by a temporary permit shall be marked by a line of demarcation.

Sec. 15. K.S.A. 2020 Supp. 41-1203 is hereby amended to read as follows: 41-1203. (a) All alcoholic liquor *or cereal malt beverage* sold at an event covered by a temporary permit shall be dispensed only from original containers.

(b) An individual may carry an original container of alcoholic liquor *or cereal malt beverage* onto the event premises with the approval of the temporary permit holder and under the following conditions:

- (1) The temporary permit holder shall not store any such containers of alcoholic liquor *or cereal malt beverage* on the event premises; and
- (2) each individual carrying any such container onto the event premises shall remove such container when the individual exits the event premises.

Sec. 16. K.S.A. 2020 Supp. 41-1204 is hereby amended to read as follows: 41-1204. Notwithstanding any other provisions of the Kansas

liquor control act or the club and drinking establishment act to the contrary, any person or entity who is issued a temporary permit may provide samples of wine, beer, *cereal malt beverage* and distilled spirits on the permit premises as follows:

(a) All wine, beer, *cereal malt beverage* and *distilled* spirits sampled shall come from the inventory of the temporary permit holder. Except as provided by ~~paragraph (2) subsection (b)~~, a person other than the temporary permit holder, or such permit holder's agent or employee, may not dispense or participate in the dispensing of alcoholic ~~beverages~~ *liquor or cereal malt beverage* under this section.

(b) A supplier's permit holder, or such permit holder's agent or employee, may provide samples of wine, beer, *cereal malt beverage* and distilled spirits on the permit premises, and may open, touch or pour such alcoholic *liquor or cereal malt beverage*, make a presentation, or answer questions at such sampling events. Any alcoholic *liquor or cereal malt beverage* sampled under this subsection must be purchased from a retailer or the temporary permit holder on whose premises the sampling event is held.

(c) No charge of any sort may be made for a sample serving.

(d) A person may be served more than one sample. Samples may not be served to a minor. No samples may be removed from the permit premises.

(e) The act of providing samples to consumers shall be exempt from the requirement of holding a Kansas food service dealer license from the department of agriculture under the provisions of chapter 65 of the Kansas Statutes Annotated, and amendments thereto.

Sec. 17. K.S.A. 2020 Supp. 41-2601 is hereby amended to read as follows: 41-2601. As used in the club and drinking establishment act:

(a) The following terms ~~shall have the meanings~~ *mean the same* as provided by K.S.A. 41-102, and amendments thereto:

- (1) "Alcoholic liquor";
- (2) "director";
- (3) "original package";
- (4) "person";
- (5) "sale"; and
- (6) "to sell."

(b) "Beneficial interest" shall not include any interest a person may have as owner, operator, lessee or franchise holder of a licensed hotel or motel on the premises of which a club or drinking establishment is located.

(c) "Caterer" means an individual, partnership or corporation ~~which~~ *that* sells alcoholic *liquor or cereal malt beverage* by the individual drink, and provides services related to the serving thereof, on unlicensed premises ~~which~~ *that* may be open to the public, but does not include a holder of a temporary permit, selling alcoholic *liquor or cereal malt beverage* in accordance with the terms of such permit.

(d) "Cereal malt beverage" ~~has the meaning~~ *means the same* as provided by K.S.A. 41-2701, and amendments thereto.

(e) "Class A club" means a premises ~~which~~ *that* is owned or leased by a corporation, partnership, business trust or association and ~~which~~ *that* is operated thereby as a bona fide nonprofit social, fraternal or war veterans' club, as determined by the director, for the exclusive use of the corporate stockholders, partners, trust beneficiaries or associates ~~(, hereinafter referred to as members)~~, and their families and guests accompanying them, *as provided in K.S.A. 41-2637, and amendments thereto.*

(f) "Class B club" means a premises operated for profit by a corporation, partnership or individual, to which members of such club may resort for the consumption of food or alcoholic beverages and for entertainment.

(g) "Club" means a class A or class B club.

(h) "Drinking establishment" means premises ~~which~~ *that* may be open to the general public, where alcoholic *liquor or cereal malt beverage* by the individual drink is sold. *The term "Drinking*

establishment" includes a railway car.

(i) "Food" means any raw, cooked or processed edible substance or ingredient, other than alcoholic liquor or cereal malt beverage, used or intended for use or for sale, in whole or in part, for human consumption.

(j) "Food service establishment" ~~has the meaning~~ *means the same as* provided by K.S.A. 36-501, and amendments thereto.

(k) "Hotel" ~~has the meaning~~ *means the same as* provided by K.S.A. 36-501, and amendments thereto.

(l) "Individual drink" means a beverage containing alcoholic liquor or cereal malt beverage served to an individual for consumption by such individual or another individual, but which is not intended to be consumed by two or more individuals. The term "individual drink" includes beverages containing not more than:

- (1) Eight ounces of wine;
- (2) thirty-two ounces of beer or cereal malt beverage; or
- (3) four ounces of a single spirit or a combination of spirits.

(m) "Minibar" means a closed cabinet, whether nonrefrigerated or wholly or partially refrigerated, access to the interior of which is restricted by means of a locking device ~~which~~ *that* requires the use of a key, magnetic card or similar device.

(n) "Minor" means a person under 21 years of age.

(o) "Morals charge" means a charge involving the sale of sexual relations; procuring any person; soliciting of a child under 18 years of age for any immoral act involving sex; possession or sale of narcotics, marijuana, amphetamines or barbiturates; rape; incest; gambling; illegal cohabitation; adultery; bigamy; or a crime against nature.

(p) "Municipal corporation" means the governing body of any county or city.

(q) "Public venue" means an arena, stadium, hall or theater, used primarily for athletic or sporting events, live concerts, live theatrical productions or similar seasonal entertainment events, not operated on a daily basis, and containing:

- (1) Not ~~less~~ *fewer* than 4,000 permanent seats; and
- (2) not ~~less~~ *fewer* than two private suites, ~~which~~ *that* are enclosed or semi-enclosed seating areas, having controlled access and separated from the general admission areas by a permanent barrier.

(r) "Railway car" means a locomotive drawn conveyance used for the transportation and accommodation of human passengers that is confined to a fixed rail route and which derives from sales of food for consumption on the railway car not less than 30% of its gross receipts from all sales of food and beverages in a 12-month period.

(s) "Restaurant" means:

(1) In the case of a club, a licensed food service establishment ~~which~~ *that*, as determined by the director, derives from sales of food for consumption on the licensed club premises not less than 50% of its gross receipts from all sales of food and beverages on such premises in a 12-month period;

(2) in the case of a drinking establishment subject to a food sales requirement under K.S.A. 41-2642, and amendments thereto, a licensed food service establishment ~~which~~ *that*, as determined by the director, derives from sales of food for consumption on the licensed drinking establishment premises not less than 30% of its gross receipts from all sales of food and beverages on such premises in a 12-month period; and

(3) in the case of a drinking establishment subject to no food sales requirement under K.S.A. 41-2642, and amendments thereto, a licensed food service establishment.

(t) "RV resort" means premises where a place to park recreational vehicles, as defined in K.S.A. 75-1212, and amendments thereto, is offered for pay, primarily to transient guests, for overnight or longer use while such recreational vehicles are used as sleeping or living accommodations.

(u) "Sample" means a serving of alcoholic liquor *or cereal malt*

beverage that contains not more than:

- (1) One-half ounce of distilled spirits;
- (2) one ounce of wine; or
- (3) two ounces of beer or cereal malt beverage.

A sample of a mixed alcoholic beverage shall contain not more than ½ ounce of distilled spirits.

(v) "Secretary" means the secretary of revenue.

(w) "Temporary permit" means a temporary permit issued pursuant to K.S.A. 2020 Supp. 41-1201, and amendments thereto.

Sec. 18. K.S.A. 41-2604 is hereby amended to read as follows: 41-2604. (a) Any person allowing consumption of alcoholic liquor *or cereal malt beverage* in violation of this act on any property owned, leased or otherwise under ~~his~~ *such person's* control shall thereby subject ~~himself~~ *such person* and the property on which ~~said~~ *such* illegal consumption takes place to the penalties ~~hereinafter~~ provided *in this section*.

~~(a)~~(b) The person allowing such consumption shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine not to exceed ~~five hundred dollars (\$500)~~ \$500 or confinement in the county jail not to exceed six ~~(6)~~ months, or both such fine and imprisonment.

~~(b)~~(c) The property on which the violation takes place is declared to be a public nuisance, and as such is subject to abatement as provided for any other liquor nuisance in K.S.A. 41-805, *and amendments thereto*.

Sec. 19. K.S.A. 2020 Supp. 41-2608 is hereby amended to read as follows: 41-2608. (a) Any public venue, club or drinking establishment license issued pursuant to this act shall be for one particular premises ~~which~~ *that* shall be stated in the application and in the license. Not more than one premises licensed under the club and drinking establishment act shall exist at a single legal address.

(b) No license shall be issued for a public venue, club or drinking establishment unless the city, township or county zoning code allows a club or drinking establishment at that location.

(c) The licensed premises of a license may be extend into a city, county or township street, alley, road, sidewalk or highway if:

(1) Such street, alley, road, sidewalk or highway is closed to motor vehicle traffic by the governing body of such city, county or township at any time during which alcoholic liquor *or cereal malt beverage* is to be sold or consumed; and

(2) such extension has been approved by the city, county or township by ordinance or resolution that specifies the exact times during which alcoholic liquor *or cereal malt beverage* may be sold or consumed on the street, alley, road, sidewalk or highway.

Sec. 20. K.S.A. 2020 Supp. 41-2610 is hereby amended to read as follows: 41-2610. It shall be unlawful for any licensee or holder of a temporary permit under this act to:

(a) Employ any person under the age of 18 years in connection with the serving of alcoholic liquor *or cereal malt beverage*.

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

(c) Knowingly employ or continue to employ any person in connection with the dispensing or serving of alcoholic liquor *or cereal malt beverage*, or the mixing of drinks containing alcoholic liquor *or cereal malt beverage*, who has been adjudged guilty of two or more violations of K.S.A. 2020 Supp. 21-5607, and amendments thereto, furnishing alcoholic liquor *or cereal malt beverage* to minors or a similar law of any other state, or of the United States, pertaining to furnishing alcoholic liquor *or cereal malt beverage* to minors within the immediately preceding five years, or who has been adjudged guilty of

three or more violations of any intoxicating liquor law of this or any other state, or of the United States, not involving the furnishing of alcoholic liquor *or cereal malt beverage* to minors within the immediately preceding five years.

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

(e) Purchase alcoholic liquor *or cereal malt beverage* from any person except from a person authorized by law to sell such alcoholic liquor *or cereal malt beverage* to such licensee or permit holder.

(f) Permit any employee of the licensee or permit holder who is under the age of 21 years to work on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee or permit holder at any time when not under the on-premises supervision of either the licensee or permit holder, or an employee who is 21 years of age or over.

(g) Employ any person under 21 years of age in connection with the mixing or dispensing of drinks containing alcoholic liquor *or cereal malt beverage*.

Sec. 21. K.S.A. 2020 Supp. 41-2611 is hereby amended to read as follows: 41-2611. The director may suspend, involuntarily cancel or revoke any license issued pursuant to the club and drinking establishment act for any one or more of the following reasons:

(a) The licensee has fraudulently obtained the license by giving false information in the application therefor or any hearing thereon.

(b) The licensee has violated any of the provisions of ~~this the club and drinking establishment act or~~, any rules or regulations adopted ~~hereunder~~ pursuant to such act or any lawful order issued by the director.

(c) The licensee has become ineligible to obtain a license or permit under this act.

(d) The licensee's manager or employee has been intoxicated while on duty.

(e) The licensee, or its manager or employee, has permitted any disorderly person to remain on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee.

(f) There has been a violation of a provision of the laws of this state, or of the United States, pertaining to the sale of intoxicating or alcoholic ~~liquors~~ liquor *or cereal malt-beverages beverage*, or any crime involving a morals charge, on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee.

(g) The licensee, or its managing officers or any employee, has purchased and displayed, on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee, a federal wagering occupational stamp issued by the United States treasury department.

(h) The licensee, or its managing officers or any employee, has purchased and displayed, on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee, a federal coin operated gambling device stamp for the premises issued by the United States treasury department.

(i) The licensee holds a license as a class B club, drinking establishment or caterer and:

(1) Has been found guilty of a violation of article 10 of chapter 44 of the Kansas Statutes Annotated, and amendments thereto, under a decision or order of the Kansas human rights commission ~~which that~~ has become final; or

(2) such licensee has been found guilty of a violation of K.S.A. 21-4003, prior to its repeal, or K.S.A. 2020 Supp. 21-6102, and amendments thereto.

(j) There has been a violation of K.S.A. 21-4106 or 21-4107, prior to their repeal, or K.S.A. 2020 Supp. 21-6204, and amendments thereto, on premises where alcoholic liquor *or cereal malt beverage* is sold by such licensee.

Sec. 22. K.S.A. 2020 Supp. 41-2613 is hereby amended to read as

follows: 41-2613. The right of immediate entry to and inspection of any premises licensed as a public venue, club or drinking establishment or any premises where alcoholic liquor *or cereal malt beverage* is sold by a holder of a temporary permit, or any premises subject to the control of any licensee or temporary permit holder, by any duly authorized officer or agent of the director, or by any law enforcement officer, shall be a condition on which every license or temporary permit is issued, and the application for, and acceptance of, any license or temporary permit shall conclusively be deemed to be the consent of the applicant and licensee or permit holder to such immediate entry and inspection. Such right of immediate entry and inspection shall be at any time when the premises are occupied and is not limited to hours when the club or drinking establishment is open for business. Such consent shall not be revocable during the term of the license or temporary permit. Refusal of such entry shall be grounds for revocation of the license or temporary permit.

Sec. 23. K.S.A. 2020 Supp. 41-2614 is hereby amended to read as follows: 41-2614. (a) Except as provided by subsection (c), no public venue, club or drinking establishment shall allow the serving, mixing or consumption of alcoholic liquor *or cereal malt beverage* on its premises between the hours of 2:00 a.m. and 6:00 a.m. on any day.

(b) No caterer shall allow the serving, mixing or consumption of alcoholic liquor *or cereal malt beverage* between the hours of 2:00 a.m. and 6:00 a.m. on any day at an event catered by such caterer.

(c) A hotel of which the entire premises are licensed as a drinking establishment or as a drinking establishment caterer may allow at any time the serving, mixing and consumption of alcoholic liquor and cereal malt beverage from a minibar in a guest room by guests registered to stay in such room, and guests of guests registered to stay in such room.

Sec. 24. K.S.A. 41-2619 is hereby amended to read as follows: 41-2619. The existence of any place for which a license or temporary permit has not been issued pursuant to this act and which purports, or is held out to the public or to any person by the proprietors or their agents or employees, to be a place where alcoholic liquor *or cereal malt beverage* is sold by the individual drink, shall be deemed to be sufficient probable cause for any judge of the district court to issue a search warrant to any law enforcement officer of the state or a subdivision of the state for the purpose of searching such place for alcoholic liquor *or cereal malt beverage* being sold, possessed or consumed in violation of this act, any other law of the state or any ordinance of a municipal subdivision of the state.

Sec. 25. K.S.A. 2020 Supp. 41-2623 is hereby amended to read as follows: 41-2623. (a) No license shall be issued under the provisions of this act to:

(1) Any person described in K.S.A. 41-311(a)(1), (2), (4), (5), (6), (7), (8), (9), (12), (13) or (15), and amendments thereto, except that the provisions of ~~subsection K.S.A. 41-311(a)(7) of such section, and amendments thereto,~~ shall not apply to nor prohibit the issuance of a license for a class A club to an officer of a post home of a congressionally chartered service or fraternal organization, or a benevolent association or society thereof.

(2) A person who has had the person's license revoked for cause under the provisions of this act.

(3) ~~A person who has not been a resident of this state for a period of at least one year immediately preceding the date of application.~~

(4) A person who has a beneficial interest in the manufacture, preparation or wholesaling or the retail sale of alcoholic ~~liquors~~ *liquor or cereal malt beverage* or a beneficial interest in any other club, drinking establishment or caterer licensed hereunder, except that:

(A) A license for premises located in a hotel may be granted to a person who has a beneficial interest in one or more other clubs or drinking establishments licensed hereunder if such other clubs or establishments are located in hotels.

(B) A license for a club or drinking establishment ~~which that~~ is a restaurant may be issued to a person who has a beneficial interest in other clubs or drinking establishments ~~which that~~ are restaurants.

(C) A caterer's license may be issued to a person who has a beneficial interest in a club or drinking establishment and a license for a club or drinking establishment may be issued to a person who has a beneficial interest in a caterer.

(D) A license for a class A club may be granted to an organization of which an officer, director or board member is a distributor or retailer licensed under the liquor control act if such distributor or retailer sells no alcoholic liquor to such club.

(E) Any person who has a beneficial interest in a microbrewery, microdistillery or farm winery licensed pursuant to the Kansas liquor control act may be issued any or all of the following: (1) Class B club license; (2) drinking establishment license; and (3) caterer's license.

(F) *Any person who has a beneficial interest in a manufacturer licensed pursuant to the Kansas liquor control act may be issued one drinking establishment license.*

~~(5)~~(4) A copartnership, unless all of the copartners are qualified to obtain a license.

~~(6)~~(5) A corporation, if any officer, manager or director thereof, or any stockholder owning in the aggregate more than 5% of the common or preferred stock of such corporation would be ineligible to receive a license hereunder for any reason other than citizenship ~~and residence~~ requirements.

~~(7)~~(6) A corporation, if any officer, manager or director thereof, or any stockholder owning in the aggregate more than 5% of the common or preferred stock of such corporation, has been an officer, manager or director, or a stockholder owning in the aggregate more than 5% of the common or preferred stock, of a corporation ~~which that~~:

(A) Has had a license revoked under the provisions of the club and drinking establishment act; or

(B) has been convicted of a violation of the club and drinking establishment act or the cereal malt beverage laws of this state.

~~(8) A corporation organized under the laws of any state other than this state.~~

~~(9)~~(7) A trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of K.S.A. 41-311(a)(6), and amendments thereto, shall not apply in determining whether a beneficiary would be eligible for a license.

(b) No club or drinking establishment license shall be issued under the provisions of the club and drinking establishment act to:

~~(1)~~ a person who does not own the premises for which a license is sought, or does not, at the time the application is submitted, have a written lease thereon, except that an applicant seeking a license for a premises ~~which that~~ is owned by a city or county, or is a stadium, arena, convention center, theater, museum, amphitheater or other similar premises may submit an executed agreement to provide alcoholic beverage services at the premises listed in the application in lieu of a lease.

~~(2) A person who is not a resident of the county in which the premises sought to be licensed are located.~~

Sec. 26. K.S.A. 41-2632 is hereby amended to read as follows: 41-2632. (a) As used in this section:

(1) ~~The word~~ "Distributor" means a person, firm, association or corporation ~~which that~~ is the holder of an alcoholic liquor distributor's license issued under the Kansas liquor control act;

(2) ~~the word~~ "retailer" means a person, copartnership or association ~~which that~~ is the holder of a retailer's license issued under the Kansas liquor control act; and

(3) ~~the word~~ "manufacturer" ~~shall have the meaning ascribed to it by means the same as such term is defined in~~ K.S.A. 41-102, and amendments thereto.

(b) It shall be unlawful for a distributor of alcoholic liquor, or a manufacturer, or any officer, agent or employee thereof, to influence, coerce or induce or attempt to influence, coerce or induce, either directly or indirectly, any holder of a license issued under this act, or any officer, agent or employee of the holder of such a license, to: (1) Purchase any particular brand or kind of alcoholic liquor to be dispensed by the licensee, except that a distributor or manufacturer may provide to a licensee information regarding the availability of brands in the market and things of value as authorized by ~~subsection (d) of~~ K.S.A. 41-703(d), and amendments thereto; or (2) purchase from a particular retailer alcoholic liquor to be dispensed by the licensee.

(c) Violation of this section is a misdemeanor punishable by a fine of not less than \$100 nor more than \$1,000 or by imprisonment for not more than six months, or by both.

(d) *The provisions of this section shall not apply to any manufacturer who holds a drinking establishment license with respect to purchases made by such drinking establishment.*

Sec. 27. K.S.A. 2020 Supp. 41-2637 is hereby amended to read as follows: 41-2637. (a) A license for a class A club shall allow the licensee to: (1) Offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption on the licensed premises by members and their families, and guests accompanying them; ~~and~~ (2) serve samples of alcoholic liquor *or cereal malt beverage* free of charge for consumption by members and their families and guests accompanying them; *and* (3) *offer for sale, sell and serve alcoholic liquor for consumption on the licensed premises by individuals other than those individuals specified in paragraph (1) during an event held in accordance with subsection (d).*

(b) No charge of any sort may be made for a sample serving. Samples may not be served to a minor. No samples may be removed from the licensed premises. No consideration shall be requested or required for entry onto the premises, participation in any event taking place on the premises or to remain on the premises.

~~(b)~~(c) (1) Subject to the provisions of subsection ~~(b)(2)~~ (c)(2), any two or more class A or class B clubs may permit, by an agreement filed with and approved by the director, the members of each such club to have access to all other clubs ~~which~~ *that* are parties to such agreement. The privileges extended to the visiting members of other clubs under such an agreement shall be determined by the agreement and, if the agreement so provides, any club ~~which~~ *that* is a party to such agreement may sell, offer for sale and serve, to any person who is a member of another club ~~which~~ *that* is a party to such agreement, alcoholic liquor *or cereal malt beverage* for consumption on the licensed premises by such person and such person's family, and guests accompanying them.

(2) A class B club may enter into a reciprocal agreement authorized by subsection (b)(1) only if the class B club is a restaurant.

~~(c)~~(d) (1) *A licensee may offer for sale, sell and serve alcoholic liquor for consumption on the licensed premises by individuals other than members of the licensee, their families or guests during an event. The licensee shall provide electronic notification to the director at least 48 hours prior to any such event. The director shall make the electronic notification available to local law enforcement. Such notice shall consist of the date, time, location and the names of the contracting parties of the event. The licensee shall retain all documents for a period of three years for inspection by the director. The documents retained shall include agreements, receipts and records of alcohol purchased.*

(2) *For purposes of this subsection, the term "event" means any function, occasion, celebration or other event held on the licensed premises for a specified duration of time and during which individuals who are not members of the licensee, their families or guests are permitted to enter and use the licensed premises pursuant to an agreement between the licensee and the contracting party.*

(e) A licensee may store on its premises wine sold to a customer for consumption at a later date on its premises in the unopened container. Such wine must be kept separate from all other alcohol stock and in a secure locked area separated by customer. Such wine shall not be removed from the licensed premises in its unopened condition.

Sec. 28. K.S.A. 2020 Supp. 41-2640 is hereby amended to read as follows: 41-2640. (a) No club, drinking establishment, caterer or holder of a temporary permit, nor any person acting as an employee or agent thereof, shall:

(1) Offer or serve any free cereal malt beverage or alcoholic liquor in any form to any person;

(2) offer or serve to any person an individual drink at a price that is less than the acquisition cost of the individual drink to the licensee or permit holder;

(3) sell, offer to sell or serve to any person an unlimited number of individual drinks during any set period of time for a fixed price, except at private functions not open to the general public or to the general membership of a club;

(4) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or cereal malt beverage or the awarding of individual drinks as prizes;

(5) sell, offer to sell or serve free of charge any form of powdered alcohol, as defined in K.S.A. 41-102, and amendments thereto; or

(6) advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections (a)(1) through (5).

(b) No public venue, nor any person acting as an employee or agent thereof, shall:

(1) Offer or serve any free cereal malt beverage or alcoholic liquor in any form to any person;

(2) offer or serve to any person a drink or original container of alcoholic liquor or cereal malt beverage at a price that is less than the acquisition cost of the drink or original container of alcoholic liquor or cereal malt beverage to the licensee;

(3) sell or serve alcoholic liquor in glass containers to customers in the general admission area;

(4) sell or serve more than two drinks per customer at any one time in the general admission area;

(5) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or cereal malt beverage or the awarding of drinks as prizes;

(6) sell, offer to sell or serve free of charge any form of powdered alcohol, as defined in K.S.A. 41-102, and amendments thereto; or

(7) advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections (b)(1) through (6).

(c) A public venue, club, drinking establishment, caterer or holder of a temporary permit may:

(1) Offer free food or entertainment at any time;

(2) sell or deliver wine by the bottle or carafe;

(3) sell, offer to sell and serve individual drinks at different prices throughout any day;

(4) sell or serve beer ~~or~~, cereal malt beverage *or mixed alcoholic beverage* in a pitcher ~~capable of containing not more than 64 fluid ounces; or~~

(5) offer samples of alcohol liquor free of charge as authorized by this act; ~~or~~

(6) ~~sell or serve margarita, sangria, daiquiri, mojito or other mixed alcoholic beverages as approved by the director in a pitcher containing not more than 64 fluid ounces.~~

(d) A hotel of which the entire premises is licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, distribute to its guests coupons redeemable on the hotel premises for drinks containing alcoholic liquor. The hotel shall remit

liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto, on each drink served based on a price which is not less than the acquisition cost of the drink.

(e) (1) A public venue, club or drinking establishment may offer customer self-service of beer or wine, or both, from automated devices on licensed premises so long as the licensee monitors and has the ability to control the dispensing of such beer or wine, or both, from the automated devices.

(2) (A) For purposes of this subsection, "automated device" ~~shall mean~~ *means* any mechanized device capable of dispensing wine or beer, or both, directly to a customer in exchange for compensation that a licensee has received directly from the customer.

(B) No licensee shall allow an automated device to be used on its licensed premises without first providing written or electronic notification to the director of the licensee's intent to use the automated device. The licensee shall provide this notification at least 48 hours before any automated device is used on the licensed premises.

(C) Each licensee offering customer self-service of wine or beer, or both, from any automated device shall provide constant video monitoring of the automated device at all times during which the licensee is open to the public. The licensee shall keep recorded footage from the video monitoring for at least 60 days and shall provide the footage, upon request, to any agent of the director or other authorized law enforcement agent.

(D) The compensation required by subsection (a) shall be in the form of a programmable, prepaid access card containing a fixed amount of monetary credit that may be directly exchanged for beer or wine dispensed from the automated device. Access cards may be sold, used or reactivated only during a business day. Each access card shall be purchased from the licensee by a customer. A licensee shall not issue more than one active access card to a customer. For purposes of this subsection, an access card shall be deemed active if the access card contains monetary credit or has not yet been used to dispense 15 ounces of wine or 32 ounces of beer. Each purchase of an access card under this subparagraph shall be subject to the liquor drink tax imposed by K.S.A. 79-41a02, and amendments thereto.

(E) In order to obtain a prepaid access card from a licensee, each customer shall produce a valid driver's license, identification card or other government-issued document that contains a photograph of the individual and demonstrates that the individual is at least 21 years of age. Each access card shall be programmed to require the production of the customer's valid identification before the access card can be used for the first time during any business day or for any subsequent reactivation as provided in subparagraph (D).

(F) Each access card shall become inactive at the end of each business day.

(G) Each access card shall be programmed to allow the dispensing of no more than 15 ounces of wine or 32 ounces of beer to a customer. Once an access card has been used to dispense 15 ounces of wine or 32 ounces of beer to a customer, the access card shall become inactive. Any customer in possession of an inactive access card may, upon production of the customer's valid identification to the licensee or licensee's employee, have the access card reactivated to allow the dispensing of an additional 15 ounces of wine or 32 ounces of beer from an automated device.

Subparagraph (D), (E), (F) or (G) shall not apply to wine or beer that is dispensed directly to the licensee or the licensee's agent or employee.

(3) The secretary shall adopt rules and regulations prior to January 1, 2019, as necessary to implement the provisions of this subsection.

(4) Notwithstanding any other provision of law, all laws and rules and regulations applicable to the sale of alcoholic liquor to persons under the legal age of consumption shall be applicable to the sales

transaction of the prepaid access card.

(f) A hotel of which the entire premises is not licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, through an agreement with one or more clubs or drinking establishments, distribute to its guests coupons redeemable at such clubs or drinking establishments for drinks containing alcoholic liquor. Each club or drinking establishment redeeming coupons issued by a hotel shall collect from the hotel the agreed price, which shall be not less than the acquisition cost of the drink plus the liquor drink tax for each drink served. The club or drinking establishment shall collect and remit the liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto.

(g) Violation of any provision of this section is a misdemeanor punishable as provided by K.S.A. 41-2633, and amendments thereto.

(h) Violation of any provision of this section shall be grounds for suspension or revocation of the licensee's license as provided by K.S.A. 41-2609, and amendments thereto, and for imposition of a civil fine on the licensee or temporary permit holder as provided by K.S.A. 41-2633a, and amendments thereto.

(i) For *the* purposes of this section, ~~the term~~:

(1) "Day" means from 6:00 a.m. until 2:00 a.m. the following calendar day;

(2) "*mixed alcoholic beverage*" means a beverage that is made by combining alcoholic liquor with a non-alcoholic liquid or other edible substance and that is comprised of at least 25% non-alcoholic liquid or other edible substance, including, but not limited to, margarita, sangria, daiquiri or mojito; and

(3) "*pitcher*" means any container that is capable of containing more than 32 fluid ounces but not more than 64 fluid ounces that is used to serve alcoholic liquor or cereal malt beverage to one or more individuals.

Sec. 29. K.S.A. 2020 Supp. 41-2641 is hereby amended to read as follows: 41-2641. (a) A license for a class B club shall allow the licensee to: (1) Offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption on the licensed premises by members of such club and guests accompanying them; and (2) serve samples of alcoholic liquor *or cereal malt beverage* free of charge on the licensed premises for consumption by such members and their families and guests accompanying them.

No charge of any sort may be made for a sample serving. Samples may not be served to a minor. No samples may be removed from the licensed premises. Providing samples is prohibited for any licensee who charges a cover charge or entry fee at any time during the business day. No consideration shall be requested or required for entry onto the premises, participation in any event taking place on the premises or to remain on the premises.

(b) (1) Subject to the provisions of subsection (b)(2), any two or more class A or class B clubs may permit, by an agreement filed with and approved by the director, the members of each such club to have access to all other clubs ~~which~~ that are parties to such agreement. The privileges extended to the visiting members of other clubs under such an agreement shall be determined by the agreement and, if the agreement so provides, any club ~~which~~ that is a party to such agreement may sell, offer for sale and serve, to any person who is a member of another club ~~which~~ that is a party to such agreement, alcoholic liquor *or cereal malt beverage* for consumption on the licensed premises by such person and such person's family, and guests accompanying them.

(2) A class B club may enter into a reciprocal agreement authorized by subsection (b)(1) only if the class B club is a restaurant.

(c) Except as provided by subsection (d), an applicant for membership in a class B club shall, before becoming a member of such club:

(1) Be screened by the club for good moral character; and

(2) pay an annual membership fee of not less than \$10.

(d) Notwithstanding the membership fee requirement of subsection (c):

(1) Any class B club located on the premises of a hotel or RV resort may establish rules whereby a guest, who registered at the hotel or RV resort and who is not a resident of the county in which the club is located, may file application for temporary membership in such club. The membership, if granted, shall be valid only for the period of time that the guest is a bona fide registered guest at the hotel or RV resort and such temporary membership shall not be subject to the fee requirement of this section.

(2) Any class B club located on property ~~which~~ *that* is owned or operated by a municipal airport authority and upon which consumption of alcoholic liquor *or cereal malt beverage* is authorized by law may establish rules whereby an air traveler who is a holder of a current airline ticket may file application for temporary membership in such club for the day such air traveler's ticket is valid, and such temporary membership shall not be subject to the fee requirement of this section.

(3) Any class B club may establish rules whereby military personnel of the armed forces of the United States on temporary duty and housed at or near any military installation located within the exterior boundaries of the state of Kansas may file application for temporary membership in such club. The membership, if granted, shall be valid only for the period of the training, not to exceed 20 weeks. Any person wishing to make application for temporary membership in a class B club under this ~~subsection (d)(3)~~ *paragraph* shall present the temporary duty orders to the club. Temporary membership issued under this ~~subsection (d)(3)~~ *paragraph* shall not be subject to the fee requirements of this section.

(4) Any class B club may enter into a written agreement with a hotel or RV resort whereby a guest who is registered at the hotel or RV resort and who is not a resident of the county in which the club is located may file application for temporary membership in such club. The temporary membership, if granted, shall be valid only for the period of time that the guest is a bona fide registered guest at the hotel or RV resort and shall not be subject to the fee requirement of this section. A club may enter into a written agreement with a hotel or RV resort pursuant to this provision only if: (A) The hotel or RV resort is located in the same county as the club; (B) there is no class B club located on the premises of the hotel or RV resort; and (C) no other club has entered into a written agreement with the hotel or RV resort pursuant to this section.

(5) Any class B club located in a racetrack facility where races with parimutuel wagering are conducted under the Kansas parimutuel racing act may establish rules whereby persons attending such races may file an application for temporary membership in such club for the day such person is attending such races, and such temporary membership shall not be subject to the fee requirement of this section.

(e) A licensee may store on its premises wine sold to a customer for consumption at a later date on its premises in the unopened container. Such wine must be kept separate from all other alcohol stock and in a secure locked area separated by customer. Such wine shall not be removed from the licensed premises in its unopened condition.

Sec. 30. K.S.A. 2020 Supp. 41-2642 is hereby amended to read as follows: 41-2642. (a) A license for a drinking establishment shall allow the licensee to offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption on the licensed premises which may be open to the public, and to serve samples of alcoholic liquor *or cereal malt beverage* free of charge on licensed premises subject to the requirements of subsection (c), but only if such premises are located in a county where the qualified electors of the county:

(1) (A) Approved, by a majority vote of those voting thereon, the proposition to amend section 10 of article 15 of the constitution of the state of Kansas at the general election in November 1986; or (B) have

approved a proposition to allow sales of alcoholic liquor by the individual drink in public places within the county at an election pursuant to K.S.A. 41-2646, and amendments thereto; and

(2) have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(b) A drinking establishment shall be required to derive from sales of food for consumption on the licensed premises not less than 30% of all the establishment's gross receipts from sales of food and beverages on such premises unless the licensed premises are located in a county where the qualified electors of the county:

(1) Have approved, at an election pursuant to K.S.A. 41-2646, and amendments thereto, a proposition to allow sales of alcoholic liquor by the individual drink in public places within the county without a requirement that any portion of their gross receipts be derived from the sale of food; and

(2) have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(c) No charge of any sort may be made for a sample serving. Samples may not be served to a minor. No samples may be removed from the licensed premises. Providing samples is prohibited for any licensee who charges a cover charge or entry fee at any time during the business day. No consideration shall be requested or required for entry onto the premises, participation in any event taking place on the premises or to remain on the premises.

(d) (1) A drinking establishment shall specify in the application for a license or renewal of a license the premises to be licensed, which may include all premises which are in close proximity and are under the control of the applicant or licensee.

(2) *If the drinking establishment licensee also holds a manufacturer's license issued under the Kansas liquor control act, the licensed premises specified in the drinking establishment license shall not be the same as the licensed premises specified in the manufacturer's license, but such specified premises shall be located not more than two miles by the usually traveled road from the licensed premises specified in the manufacturer's license.*

(e) Notwithstanding any other provision of law to the contrary, any hotel of which the entire premises are licensed as a drinking establishment or as a drinking establishment caterer may sell alcoholic liquor or cereal malt beverage by means of minibars located in guest rooms of such hotel, subject to the following:

(1) The key, magnetic card or other device required to attain access to a minibar in a guest room shall be provided only to guests who are registered to stay in such room and who are 21 or more years of age;

(2) containers or packages of spirits or wine sold by means of a minibar shall hold not less than 50 nor more than 200 milliliters; and

(3) a minibar shall be restocked with alcoholic liquor or cereal malt beverage only during hours when the hotel is permitted to sell alcoholic liquor and cereal malt beverage as a drinking establishment.

(f) A drinking establishment may store on its premises wine sold to a customer for consumption at a later date on its premises in the unopened container. Such wine must be kept separate from all other alcohol stock and in a secure locked area separated by customer. Such wine shall not be removed from the licensed premises in its unopened condition.

(g) *If the drinking establishment licensee also holds a manufacturer's license issued under the Kansas liquor control act, the drinking establishment shall not sell alcoholic liquor manufactured by such manufacturer's licensee to the exclusion of other alcoholic liquor. All beer and cereal malt beverage sold by the drinking establishment shall be acquired from a distributor or retailer licensed under the Kansas liquor control act, and all wine and spirits sold by the drinking*

establishment shall be acquired from a retailer or farm winery licensed under the Kansas liquor control act and who possesses a federal wholesaler's basic permit.

Sec. 31. K.S.A. 2020 Supp. 41-2643 is hereby amended to read as follows: 41-2643. (a) A caterer's license shall allow the licensee to offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption on unlicensed premises, which may be open to the public, but only if such premises are located in a county where the qualified electors of the county:

(1) (A) Approved, by a majority vote of those voting thereon, the proposition to amend section 10 of article 15 of the constitution of the state of Kansas at the general election in November, 1986; or (B) have approved a proposition to allow sales of alcoholic liquor by the individual drink in public places within the county at an election pursuant to K.S.A. 41-2646, and amendments thereto; and

(2) have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(b) A caterer shall be required to derive from sales of food at catered events not less than 30% of the caterer's gross receipts from all sales of food and beverages at catered events in a 12-month period unless the caterer offers for sale, sells and serves alcoholic liquor *or cereal malt beverage* only in counties where the qualified electors of the county:

(1) Have approved, at an election pursuant to K.S.A. 41-2646, and amendments thereto, a proposition to allow sales of alcoholic liquor by the individual drink in public places within the county without a requirement that any portion of their gross receipts be derived from the sale of food; and

(2) have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(c) Each caterer shall maintain the caterer's principal place of business in a county in this state where the caterer is authorized by this section to sell alcoholic liquor by the individual drink in a public place. All records of the caterer relating to the caterer's licensed business and the caterer's license shall be kept at such place of business. The caterer's principal place of business shall be stated in the application for a caterer's license and the caterer shall notify the director of any change in its location within 10 days after such change.

(d) Except as otherwise provided herein, a caterer shall provide electronic notification to the director at least 48 hours prior to any event at which the caterer will sell alcoholic liquor *or cereal malt beverage* by the individual drink. The director shall make the electronic notification available to local law enforcement. Notice shall consist of the time, location and the names of the contracting parties of the event. For events where ~~alcohol~~ *alcoholic liquor or cereal malt beverage* is served, a licensee shall retain all documents for a period of three years for inspection by the director. The documents retained shall include agreements, receipts, employees assigned to the event and records of ~~alcohol~~ *alcoholic liquor and cereal malt beverage* purchased. Notification shall not be required for weddings, funerals, events sponsored by religious institutions, or for business, industry or trade sponsored meetings, including, but not limited to, awards presentations and retirement celebrations.

(e) A caterer may rebate a portion of the caterer's receipts from the sale of alcoholic liquor *or cereal malt beverage* at an event to the person or organization contracting with the caterer to sell alcoholic liquor *or cereal malt beverage* at such event.

Sec. 32. K.S.A. 2020 Supp. 41-2653, as amended by section 1 of 2021 Senate Bill No. 14, is hereby amended to read as follows: 41-2653. (a) In addition to the rights of a licensee pursuant to provisions of K.S.A. 41-2637, 41-2641 or 41-2642, and amendments thereto, a class A club license, class B club license or drinking establishment license

shall allow the licensee to allow legal patrons of the club or drinking establishment to remove *alcoholic liquor or cereal malt beverage* from the licensed premises ~~in one or more opened containers of alcoholic liquor, including in the original unopened container~~, subject to the following conditions:

(1) It must be *otherwise* legal for the licensee to sell the alcoholic liquor ~~or cereal malt beverage in its original container~~;

(2) ~~the alcoholic liquor must be in its original container~~;

~~(3) each container of alcoholic liquor or cereal malt beverage must have been purchased by a patron and the alcoholic liquor in each container must have been partially consumed on of the licensed premises;~~

~~(4)(3) the licensee or the licensee's employee must provide the patron with a dated receipt for the unfinished container or containers of alcoholic liquor or cereal malt beverage; and~~

~~(5)(4) before the any container of alcoholic liquor or cereal malt beverage is removed from the licensed premises, the licensee or the licensee's employee must securely reseal each container any opened containers, and place the container in a tamper-proof, transparent bag which that is sealed in a manner that makes it visibly apparent if the bag is subsequently tampered with or opened;~~

~~(5) no original unopened containers of spirits may be removed from the licensed premises; and~~

~~(6) no alcoholic liquor or cereal malt beverage may be removed from the licensed premises after 11:00 p.m. unless such alcoholic liquor is wine that was purchased and partially consumed on the licensed premises.~~

~~(b)(1) In addition to the rights of a licensee pursuant to provisions of K.S.A. 41-2637, 41-2641 or 41-2642, and amendments thereto, and the provisions of subsection (a), a class A club license, class B club license or drinking establishment license shall allow the licensee to allow legal patrons of the club or drinking establishment to remove from the licensed premises one or more containers of alcoholic liquor that is not in the original container, subject to the following conditions:~~

~~(A) It must be legal for the licensee to sell the alcoholic liquor;~~

~~(B) each container of alcoholic liquor must have been purchased by a patron on the licensed premises;~~

~~(C) the licensee or the licensee's employee must provide the patron with a dated receipt for the alcoholic liquor; and~~

~~(D) before the container of alcoholic liquor is removed from the licensed premises, the licensee or the licensee's employee must place the container in a transparent bag that is sealed in a manner that makes it visibly apparent if the bag is subsequently tampered with or opened.~~

~~(2) The provisions of this subsection shall expire on March 31, 2021.~~

~~(e)(b) A patron may remove one or more containers of beer, domestic beer and cereal malt beverage, as those terms are defined in K.S.A. 41-102, and amendments thereto, that are sold on the licensed premises to consumers and served in refillable and sealable containers for consumption off the licensed premises if such containers:~~

~~(1) Contain between 32 and 64 fluid ounces;~~

~~(2) have a label affixed that clearly indicates the licensee's name and the type of alcoholic beverage contained in such container; and~~

~~(3) are not sold or removed from the premises after 11:00 p.m.~~

~~(d) All alcoholic liquor, cereal malt beverage and nonalcoholic malt beverage sold by a licensee shall be subject to the tax imposed by K.S.A. 79-41a02, and amendments thereto.~~

~~(e) This section shall be a part of and supplemental to the club and drinking establishment act.~~

Sec. 33. K.S.A. 2020 Supp. 41-2655 is hereby amended to read as follows: 41-2655. (a) A license for a public venue shall allow the licensee to:

(1) Offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* by the individual drink for consumption on the licensed

premises;

(2) offer for sale, sell and serve unlimited drinks for a fixed price in designated areas of the licensed premises;

(3) offer for sale and sell ~~all-inclusive~~ *all-inclusive* packages ~~which~~ *that* include unlimited drinks in designated areas of the licensed premises;

(4) offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* in the original container for consumption on the licensed premises in private suites, ~~which~~ *that* are enclosed or semi-enclosed seating areas, having controlled access and separated from the general admission areas by a permanent barrier;

(5) store, in each private suite, ~~which~~ *that* is an enclosed or semi-enclosed seating area, having controlled access and separated from the general admission areas by a permanent barrier, alcoholic liquor *or cereal malt beverage* sold in the original container to a customer in that private suite; and

(6) with the approval of the retailer or distributor, return for a full refund of the original purchase price unopened containers of alcoholic liquor *or cereal malt beverage* to the retailer or distributor from whom such items were purchased upon the conclusion of an event if the next scheduled event for that premises is more than 90 days from the date of the concluded event.

(b) An applicant or public venue licensee shall specify in the application for a license, or renewal of a license, the premises to be licensed. No public venue licensee may offer for sale, sell or serve any alcoholic liquor *or cereal malt beverage* in any area not included in the licensed premises.

(c) The term "designated areas" for purposes of this section ~~shall mean~~ *means* an area identified in the license application, which may include suites, that has controlled access and is separated from the general admission by a barrier.

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

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

~~(f)(e)~~ This section shall be a part of and supplemental to the club and drinking establishment act.

Sec. 34. K.S.A. 2020 Supp. 41-2658 is hereby amended to read as follows: 41-2658. (a) Alcoholic liquor *or cereal malt beverage* shall be dispensed only from original containers, except any drinking establishment licensee or its agent or employee, may dispense:

(1) Alcoholic liquor *or cereal malt beverage* from a machine or container used to mix alcoholic liquor *or cereal malt beverage* with other liquids or solids intended for human consumption;

(2) alcoholic liquor *or cereal malt beverage* from a machine or container used to chill alcoholic liquor, ~~which~~ *or cereal malt beverage that* may contain additional liquids or solids intended for human consumption; or

(3) infused alcoholic liquor *or cereal malt beverage* from a container used to infuse alcoholic liquor *or cereal malt beverage* with other substances intended for human consumption.

(b) A drinking establishment licensee, or its agent or employee, shall not refill any original container with any alcoholic liquor *or cereal malt beverage* or any other substance.

(c) Any drinking establishment licensee, or its agent or employee, may infuse alcoholic liquor *or cereal malt beverage* with spices, herbs, fruits, vegetables, candy or other substances intended for human consumption if no additional fermentation occurs during the process.

(d) As used in this section:

(1) "Dispense" means to portion out servings of alcoholic liquor *or cereal malt beverage* for consumption. This term ~~shall include~~

includes the pouring of drinks of alcoholic liquor *or cereal malt beverage* and opening original containers of alcoholic liquor *or cereal malt beverage* by the licensee or licensee's employee for consumption by customers, and shall not include any self-dispensing by a customer.

(2) "Infuse" means to add flavor or scent to a liquid by steeping additional ingredients in the liquid.

(e) This section shall be *a* part of and supplemental to the club and drinking establishment act.

Sec. 35. K.S.A. 2020 Supp. 41-2659 is hereby amended to read as follows: 41-2659. (a) (1) A city or a county may establish one or more common consumption areas within the limits of the city or within the unincorporated portion of the county, as applicable, by ordinance or resolution, respectively, and authorize the possession and consumption of alcoholic liquor *or cereal malt beverage* within the common consumption area. The ordinance or resolution shall designate the boundaries of any common consumption area and prescribe the times during which alcoholic liquor *or cereal malt beverage* may be consumed therein. The ordinance or resolution shall require that any public street or roadway that lies within a common consumption area shall be blocked from motorized traffic during the hours in which ~~alcohol~~ alcoholic liquor *or cereal malt beverage* is consumed.

(2) The city or county shall immediately notify the director of the division of alcoholic beverage control of the establishment of a common consumption area and submit a copy of the ordinance or resolution along with such notice.

(b) A common consumption area permit shall allow the consumption of alcoholic liquor *or cereal malt beverage* in any area designated by such permit. The director may issue common consumption area permits to the city or county or any one person who shall be a resident of Kansas or an organization that has its principal place of business in Kansas and that has been approved by the respective city or county, in accordance with rules and regulations adopted by the secretary of revenue.

(c) Applications for common consumption area permits shall be submitted to the director, subject to the following:

(1) A copy of any ordinance or resolution promulgated in accordance with subsection (a) shall accompany any application for a common consumption area permit.

(2) Each application shall be accompanied by a non-refundable permit fee of \$100. All permit fees collected by the director pursuant to this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(3) A common consumption area permit shall be issued for a period of not to exceed one year. A common consumption area permit shall not be transferable or assignable.

(d) Any licensee immediately adjacent to, or located within a common consumption area may request that the licensee's licensed premises participate in the common consumption area for the duration of the common consumption area permit. Such a request shall be made upon forms prescribed by the director.

(e) (1) Any licensee who has requested and received permission to participate in the common consumption area may allow its legal patrons to remove alcoholic liquor *or cereal malt beverage* purchased from the licensee into the premises described by the common consumption area permit. All alcoholic ~~beverages~~ liquor *and cereal malt beverage* removed from a licensed premises in such fashion shall be served in a container that displays the licensee's trade name or logo or other identifying mark that is unique to the licensee.

(2) In addition to their licensed premises, one or more licensees that have requested and received permission to participate in a common consumption area may offer for sale, sell and serve alcoholic liquor *or cereal malt beverage* for consumption from one non-contiguous service

area within the common consumption area, as designated and approved by the common consumption area permit holder. The licensee shall prominently display a copy of its drinking establishment license and the approval of the common consumption area permit holder at its non-contiguous service area.

(f) (1) Each licensee within a common consumption area shall be liable for violations of all liquor laws governing the sale and consumption of alcoholic liquor *or cereal malt beverage* that occur on the licensee's premises.

(2) Each common consumption area permit holder shall be liable for violations that occur off the licensee's premises, but within the common consumption area identified in the permit. No permit holder shall permit any person to remove any open container of alcoholic liquor *or cereal malt beverage* from the boundaries of the common consumption area.

(g) For the purposes of this section, "common consumption area" ~~shall mean~~ *means* a defined indoor or outdoor area not otherwise subject to a license issued pursuant to the Kansas liquor control act or the club and drinking establishment act where the possession and consumption of alcoholic liquor *or cereal malt beverage* is allowed pursuant to a common consumption area permit. The boundaries of any common consumption area must be clearly marked using a physical barrier or any apparent line of demarcation.

(h) The secretary shall adopt rules and regulations to implement this section.

(i) This section shall be a part of and supplemental to the club and drinking establishment act.

Sec. 36. K.S.A. 2020 Supp. 41-2703 is hereby amended to read as follows: 41-2703. (a) After examination of an application for a retailer's license, the board of county commissioners or the director shall, if they approve the same, issue a license to the applicant. The governing body of the city shall, if the applicant is qualified as provided by law, issue a license to such applicant.

(b) No retailer's license shall be issued to:

~~(1) A person who is not a resident of the county in which the place of business covered by the license is located, has not been a resident of such county for at least six months or has not been a resident in good faith of the state of Kansas.~~

~~(2) A person who has not been a resident of this state for at least one year immediately preceding application for a retailer's license.~~

~~(3) A person who is not of good character and reputation in the community in which the person resides.~~

~~(4)~~(2) A person who is not a citizen of the United States.

~~(5)~~(3) A person who, within two years immediately preceding the date of application approval, has been convicted of, released from incarceration for or released from probation or parole for a felony or any crime involving moral turpitude, drunkenness, driving a motor vehicle while under the influence of intoxicating liquor or violation of any other intoxicating liquor law of any state or of the United States.

~~(6)~~(4) A partnership, unless all the members of the partnership are otherwise qualified to obtain a license.

~~(7)~~(5) A corporation, if any manager, officer or director thereof, or any stockholder owning in the aggregate more than 25% of the stock of such corporation, would be ineligible to receive a license hereunder for any reason other than the citizenship ~~and residency~~ requirements.

~~(8)~~(6) A person whose place of business is conducted by a manager or agent unless the manager or agent possesses all the qualifications of a licensee.

~~(9)~~(7) A person whose spouse would be ineligible to receive a retailer's license for any reason other than citizenship, ~~residence~~ requirements or age, except that this ~~subsection (b)(9) paragraph~~ shall not apply in determining eligibility for a renewal license.

~~(10)~~(8) A person whose spouse has been convicted of a felony or other crime ~~which~~ *that* would disqualify a person from licensure under

this section and such felony or other crime was committed during the time that the spouse held a license under this act.

(c) After examination of an application for a retailer's license, the board of county commissioners or the governing body of a city may deny a license to a person, partnership or corporation if any manager, officer or director thereof, or any stockholder owning in the aggregate more than 25% of the stock of such corporation, has been an officer, manager, director or a stockholder owning in the aggregate more than 25% of the stock, of a corporation ~~which~~ that has:

(1) Had a retailer's license revoked under K.S.A. 41-2708, and amendments thereto; or

(2) been convicted of a violation of the club and drinking establishment act or the cereal malt beverage laws of this state.

(d) *If an applicant has been issued a producer's license pursuant to K.S.A. 41-355, and amendments thereto, an application for a retailers' license shall be approved by the board of county commissioners or the director, subject to the requirements of subsections (b) and (c).*

(e) Retailers' licenses shall be issued either on an annual basis or for the calendar year. If such licenses are issued on an annual basis, the board of county commissioners or the governing body of the city shall notify the distributors supplying the county or city on or before April 1 of the year if a retailer's license is not renewed.

~~(e)~~(f) In addition to, and consistent with the requirements of K.S.A. 41-2701 et seq., and amendments thereto, the board of county commissioners of any county or the governing body of any city may provide by resolution or ordinance for the issuance of a special event retailers' permit ~~which~~ that shall allow the permit holder to offer for sale, sell and serve cereal malt beverage for consumption on unpermitted premises, ~~which~~ that may be open to the public, subject to the following:

(1) A special event retailers' permit shall specify the premises for which the permit is issued;

(2) a special event retailers' permit shall be issued for the duration of the special event, the dates and hours of which shall be specified in the permit;

(3) ~~no~~ not more than four special event retailers' permits may be issued to any one applicant in a calendar year; and

(4) a special event retailers' permit shall not be transferable or assignable.

~~(f)~~(g) A special event retailers' permit holder shall not be subject to the provisions of the beer and cereal malt beverage keg registration act, K.S.A. 41-2901 et seq., and amendments thereto.

Sec. 37. K.S.A. 2020 Supp. 41-2704 is hereby amended to read as follows: 41-2704. (a) In addition to and consistent with the requirements of the Kansas cereal malt beverage act, the board of county commissioners of any county or the governing body of any city may prescribe hours of closing, standards of conduct and rules and regulations concerning the moral, sanitary and health conditions of places licensed pursuant to this act and may establish zones within which no such place may be located.

(b) Within any city where the days of sale at retail of cereal malt beverage in the original package have not been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, ~~and within any township where the hours and days of sale at retail of cereal malt beverage in the original package have not been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto,~~ no cereal malt beverages or beer containing not more than 6% alcohol by volume may be sold:

(1) Between the hours of 12 midnight and 6 a.m.; or

(2) on Sunday, except in a place of business which is licensed to

sell cereal malt beverage for consumption on the premises, which derives not less than 30% of its gross receipts from the sale of food for consumption on the licensed premises and which is located in a county where such sales on Sunday have been authorized by resolution of the board of county commissioners of the county or in a city where such sales on Sunday have been authorized by ordinance of the governing body of the city.

(c) Within any city where the days of sale at retail of cereal malt beverage in the original package have been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided in K.S.A. 2020 Supp. 41-2911, and amendments thereto, ~~and within any township where the days of sale at retail of cereal malt beverage in the original package have been expanded as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided by K.S.A. 2020 Supp. 41-2911, and amendments thereto;~~ no person shall sell at retail cereal malt beverage or beer containing not more than 6% alcohol by volume:

- (1) Between the hours of 12 midnight and 6 a.m.;
- (2) in the original package ~~before 12 noon or after~~ *not earlier than 9 a.m. and not later than 8 p.m.* on Sunday;
- (3) on Easter Sunday; or
- (4) for consumption on the licensed premises on Sunday, except in a place of business which is licensed to sell cereal malt beverage for consumption on the premises, which derives not less than 30% of its gross receipts from the sale of food for consumption on the licensed premises and which is located in a county where such sales on Sunday have been authorized by resolution of the board of county commissioners of the county or in a city where such sales on Sunday have been authorized by ordinance of the governing body of the city.

(d) No private rooms or closed booths shall be operated in a place of business, but this provision shall not apply if the licensed premises also are licensed as a club pursuant to the club and drinking establishment act.

(e) Each place of business shall be open to the public and to law enforcement officers at all times during business hours, except that a premises licensed as a club pursuant to the club and drinking establishment act shall be open to law enforcement officers and not to the public.

(f) Except as otherwise provided by this subsection, no licensee shall permit a person under the legal age for consumption of cereal malt beverage or beer containing not more than 6% alcohol by volume to consume or purchase any cereal malt beverage in or about a place of business. A licensee's employee who is not less than 18 years of age may dispense or sell cereal malt beverage or beer containing not more than 6% alcohol by volume, if:

(1) The licensee's place of business is licensed only to sell at retail cereal malt beverage or beer containing not more than 6% alcohol by volume in the original package and not for consumption on the premises; or

(2) the licensee's place of business is a licensed food service establishment, as defined by K.S.A. 36-501, and amendments thereto, and not less than 50% of the gross receipts from the licensee's place of business is derived from the sale of food for consumption on the premises of the licensed place of business.

(g) No person shall have any alcoholic liquor, except beer containing not more than 6% alcohol by volume, in such person's possession while in a place of business, unless the premises are currently licensed as a club or drinking establishment pursuant to the club and drinking establishment act.

(h) Cereal malt beverages may be sold on premises ~~which~~ *that* are licensed pursuant to both the Kansas cereal malt beverage act and the club and drinking establishment act at any time when alcoholic liquor is allowed by law to be served on the premises.

Sec. 38. K.S.A. 2020 Supp. 41-2911 is hereby amended to read as follows: 41-2911. (a) (1) The board of county commissioners of any county may, by resolution:

(A) Expand the days of sale at retail of cereal malt beverage in the original package to allow such sale within the unincorporated area of the county on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the resolution~~ and expand the days of sale at retail of alcoholic liquor in the original package, if licensing of such sale of alcoholic liquor is authorized within the unincorporated area of the county, to allow such sale within the unincorporated area of the county on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the resolution;~~ or

(B) restrict the days of sale at retail of cereal malt beverage in the original package to prohibit such sale within the unincorporated area of the county on Sunday and restrict the days of sale at retail of alcoholic liquor in the original package, if licensing of such sale of alcoholic liquor is authorized within the unincorporated area of the county, to prohibit such sale within the unincorporated area of the county on Sunday, ~~Memorial Day, Independence Day and Labor Day.~~

Such resolution shall be published once, within two weeks after its adoption, in the official county newspaper. Such resolution shall not become effective earlier than 60 days following the date of its publication ~~or November 15, 2005, whichever is later.~~ If, within 60 days following publication of the resolution, a petition requesting that a proposition be submitted for approval by the voters is filed in accordance with subsection (a)(2), such resolution shall not become effective until a proposition is submitted to and approved at an election as provided by this subsection (a).

(2) A petition to submit a proposition to the qualified voters of a county pursuant to this subsection (a) shall be filed with the county election officer. The petition shall be signed by qualified voters of the county who reside within the unincorporated area of the county equal in number to not less than 5% of the voters of the county residing within the unincorporated area of the county who voted for the office of president of the United States at the last preceding general election at which such office was elected. The appropriate version of the following shall appear on the petition:

(A) If licensing of sale at retail of alcoholic liquor in the original package is not authorized within the unincorporated area of the county, the petition shall read: "We request an election to determine whether sale at retail of cereal malt beverage in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday) within the unincorporated area of _____ county."

(B) If licensing of sale at retail of alcoholic liquor is authorized within the unincorporated area of the county, the petition shall read: "We request an election to determine whether sale at retail of cereal malt beverage in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday) within the unincorporated area of _____ county and whether sale at retail of alcoholic liquor in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the petition~~) (prohibited on Sunday, ~~Memorial Day, Independence Day and Labor Day~~) within the unincorporated area of _____ county."

(3) Upon submission of a valid petition calling for an election pursuant to this subsection (a), the county commission shall call a special election to be held not later than 45 days after submission of the petition unless a countywide primary or general election is to be held

within 90 days after submission of the petition, in which case the proposition shall be submitted at such countywide election. Thereupon, the county election officer shall cause the appropriate version of the following proposition to be placed on the ballot in the unincorporated area of the county at such election:

(A) If licensing of sale at retail of alcoholic liquor is not authorized within the unincorporated area of the county, the following proposition shall be placed on the ballot: "Within the unincorporated area of _____ county shall sale at retail of cereal malt beverage in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday)?"

(B) If licensing of sale at retail of alcoholic liquor is authorized within the unincorporated area of the county, the following proposition shall be placed on the ballot: "Within the unincorporated area of _____ county shall sale at retail of cereal malt beverage in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday) and shall the sale at retail of alcoholic liquor in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the petition~~) (prohibited on Sunday, ~~Memorial Day, Independence Day and Labor Day~~)?"

(b) (1) The governing body of any city may, by ordinance:

(A) Expand the days of sale at retail of cereal malt beverage in the original package to allow such sale within the city on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the ordinance~~ and expand the days of sale at retail of alcoholic liquor in the original package, if licensing of such sale of alcoholic liquor is authorized within the city, to allow such sale within the city on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the ordinance;~~ or

(B) restrict the days of sale at retail of cereal malt beverage in the original package to prohibit such sale within the city on Sunday and restrict the days of sale at retail of alcoholic liquor in the original package, if licensing of such sale of alcoholic liquor is authorized within the city, to prohibit such sale within the city on Sunday, ~~Memorial Day, Independence Day and Labor Day.~~

Such ordinance shall be published at least once each week for two consecutive weeks in the official city newspaper. Such ordinance shall not become effective earlier than 60 days following the date of its publication ~~or November 15, 2005, whichever is later~~. If, within 60 days following publication of the ordinance, a petition requesting that a proposition be submitted for approval by the voters is filed in accordance with subsection (b)(2), such ordinance shall not become effective until a proposition is submitted to and approved at an election as provided by this subsection (b).

(2) A petition to submit a proposition to the qualified voters of a city pursuant to this subsection (b) shall be filed with the county election officer. The petition shall be signed by qualified voters of the city equal in number to not less than 5% of the voters of the city who voted for the office of president of the United States at the last preceding general election at which such office was elected. The appropriate version of the following shall appear on the petition:

(A) If licensing of sale at retail of alcoholic liquor in the original package is not authorized within the city, the petition shall read: "We request an election to determine whether sale at retail of cereal malt beverage in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on

Sunday) within the city of _____."

(B) If licensing of sale at retail of alcoholic liquor is authorized within the city, the petition shall read: "We request an election to determine whether sale at retail of cereal malt beverage in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday) within the city of _____ and whether sale at retail of alcoholic liquor in the original package shall be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the petition~~) (prohibited on Sunday, ~~Memorial Day, Independence Day and Labor Day~~) within the city of _____."

(3) Upon submission of a valid petition calling for an election pursuant to this subsection (b), the city governing body shall call a special election to be held not later than 45 days after submission of the petition unless a citywide primary or general election is to be held within 90 days after submission of the petition, in which case the proposition shall be submitted at such citywide election. Thereupon, the county election officer shall cause the appropriate version of the following proposition to be placed on the ballot in the city at such election:

(A) If licensing of sale at retail of alcoholic liquor is not authorized within the city, the following proposition shall be placed on the ballot: "Within the city of _____ shall sale at retail of cereal malt beverage in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday)?"

(B) If licensing of sale at retail of alcoholic liquor is authorized within the city, the following proposition shall be placed on the ballot: "Within the city of _____ shall sale at retail of cereal malt beverage in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. as established in the petition~~) (prohibited on Sunday) and shall the sale at retail of alcoholic liquor in the original package be (allowed on any Sunday, except Easter, ~~between the hours of 12 noon and not earlier than 9 a.m. and not later than 8 p.m. and on Memorial Day, Independence Day and Labor Day as established in the petition~~) (prohibited on Sunday, ~~Memorial Day, Independence Day and Labor Day~~)?"

(c) The county election officer shall transmit to the director a copy of the results of an election pursuant to this section.

(d) An election provided for by this section shall be called and held in the manner provided by the general bond law.

Sec. 39. K.S.A. 41-2604, 41-2619 and 41-2632 and K.S.A. 2020 Supp. 41-102, 41-308, 41-308a, 41-308b, 41-311, 41-311b, 41-320a, 41-350, 41-352, 41-712, 41-718, 41-1201, 41-1202, 41-1203, 41-1204, 41-2601, 41-2608, 41-2610, 41-2611, 41-2613, 41-2614, 41-2623, 41-2632, 41-2637, 41-2640, 41-2641, 41-2642, 41-2643, 41-2653, as amended by section 1 of 2021 Senate Bill No. 14, 41-2655, 41-2658, 41-2659, 41-2703, 41-2704 and 41-2911 are hereby repealed.

Sec. 40. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.