AN ACT concerning alcoholic beverages; relating to sales of alcoholic liquor or cereal malt beverage by the drink; amending K.S.A. 41-2640 and 41-2722 and K.S.A. 2011 Supp. 41-719 and 41-2601 and repealing the existing sections; also repealing K.S.A. 41-333, 41-334, 41-335, 41-336, 41-337, 41-338, 41-339, 41-340 and 41-341.

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

Section 1. K.S.A. 2011 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 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 sells alcoholic liquor by the individual drink, and provides services related to the serving thereof, on unlicensed premises which may be open to the public, but does not include a holder of a temporary permit, selling alcoholic liquor in accordance with the terms of such permit.
(d) "Cereal malt beverage" has the meaning provided by K.S.A. 41-2701, and amendments thereto.
(e) "Class A club" means a premises which is owned or leased by a corporation, partnership, business trust or association and which 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.
(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) "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 requires the use of a key, magnetic card or similar device.

(4) (h) "Drinking establishment" means premises which may be open to the general public, where alcoholic liquor by the individual drink is sold.

(4) (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.

(4) (j) "Food service establishment" has the meaning provided by K.S.A. 36-501, and amendments thereto.

(4) (k) "Hotel" has the meaning provided by K.S.A. 36-501, and amendments thereto.

(l) "Individual drink" means an individual serving of a beverage containing alcoholic liquor or cereal malt beverage.

(m) "Individual serving" 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 serving 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.

(n) (o) "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 requires the use of a key, magnetic card or similar device.

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

(p) "Morals charge" means a charge involving prostitution; 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.

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

(r) (s) "Restaurant" means:

(1) In the case of a club, a licensed food service establishment which, 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, 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.

(q) (s) (r) "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.

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

(u) "Temporary permit" means a temporary permit issued
pursuant to K.S.A. 41-2645, and amendments thereto.

Sec. 2. K.S.A. 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) sell, offer to sell or serve any individual drink to any person at any
time at a price less than that charged all other purchasers of individual
drinks on that day;

(5) increase the volume of alcoholic liquor contained in a drink or the
size of a drink of cereal malt beverage without increasing proportionately
the price regularly charged for the drink on that day;

(6) (5) (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; or

(7) (6) (5) advertise or promote in any way, whether on or off the
licensed premises, any of the practices prohibited under subsections (a)(1)
through (6) (5) (4).

(b) Nothing in subsection (a) shall be construed to prohibit a club,
drinking establishment, caterer or holder of a temporary permit from may:

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

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

or

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

(4) sell or serve beer or cereal malt beverage in a pitcher capable of containing not more than 64 fluid ounces.

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

(d) 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.

(e) Every licensed club and drinking establishment shall make available at any time upon request a price list showing the club's or drinking establishment's current prices per individual drink for all individual drinks.

(f) As used in this section, "drink" means an individual serving of any beverage containing alcoholic liquor or an individual serving of cereal malt beverage.

Sec. 3. K.S.A. 41-2722 is hereby amended to read as follows: 41-2722. (a) No retailer, or employee or agent of a retailer, licensed to sell cereal malt beverage for consumption on the licensed premises shall:

(1) offer or serve any free cereal malt beverage to any person;

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

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

(4) sell, offer to sell or serve any drink to any person at any time at a price less than that charged the general public on that day, except at private functions not open to the general public;

(5) increase the size of a drink of cereal malt beverage without increasing proportionately the price regularly charged for the drink on that day;

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

(7) (5) advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections (a) (1) through (6) (4).

(b) Nothing in subsection (a) shall be construed to prohibit a retailer from offering may:

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

(2) sell, offer to sell and serve individual drinks at different prices throughout any day; or
(3) sell or serve cereal malt beverage in a pitcher capable of containing not more than 64 fluid ounces.

(c) Violation of any provisions of this section is a misdemeanor punishable as provided by K.S.A. 41-2711, and amendments thereto.

(d) Violation of any provision of this act shall be grounds for suspension or revocation of the retailer's license as provided by K.S.A. 41-2708, and amendments thereto.

(e) Every licensee subject to the provisions of this section shall make available at any time upon request a price list showing the licensee's current prices for all cereal malt beverages.

(f) As used in this section, "drink" means an individual serving of cereal malt beverage.

(g) This section shall be part of and supplemental to K.S.A. 41-2701 through 41-2721, and amendments thereto.

Sec. 4. On and after January 1, 2013, K.S.A. 2011 Supp. 41-719 is hereby amended to read as follows: 41-719. (a) (1) Except as otherwise provided herein and in K.S.A. 8-1599, and amendments thereto, no person shall drink or consume alcoholic liquor on the public streets, alleys, roads or highways or inside vehicles while on the public streets, alleys, roads or highways.

(2) Alcoholic liquor may be consumed at a special event held on public streets, alleys, roads, sidewalks or highways when a temporary permit has been issued pursuant to K.S.A 41-2645, and amendments thereto, for such special event. Such special event must be approved, by ordinance or resolution, by the local governing body of any city, county or township where such special event is being held. No alcoholic liquor may be consumed inside vehicles while on public streets, alleys, roads or highways at any such special event.

(3) No person shall remove any alcoholic liquor from inside the boundaries of a special event as designated by the governing body of any city, county or township. The boundaries of such special event shall be clearly marked by signs, a posted map or other means which reasonably identify the area in which alcoholic liquor may be possessed or consumed at such special event.

(4) No person shall possess or consume alcoholic liquor inside the premises licensed as a special event that was not sold or provided by the licensee holding the temporary permit for such special event.

(b) No person shall drink or consume alcoholic liquor on private property except:

(1) On premises where the sale of liquor by the individual drink is authorized by the club and drinking establishment act;

(2) upon private property by a person occupying such property as an owner or lessee of an owner and by the guests of such person, if no
charge is made for the serving or mixing of any drink or drinks of alcoholic liquor or for any substance mixed with any alcoholic liquor and if no sale of alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto, takes place;

(3) in a lodging room of any hotel, motel or boarding house by the person occupying such room and by the guests of such person, if no charge is made for the serving or mixing of any drink or drinks of alcoholic liquor or for any substance mixed with any alcoholic liquor and if no sale of alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto, takes place;

(4) in a private dining room of a hotel, motel or restaurant, if the dining room is rented or made available on a special occasion to an individual or organization for a private party and if no sale of alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto, takes place; or

(5) on the premises of a microbrewery or farm winery, if authorized by K.S.A. 41-308a or 41-308b, and amendments thereto.

(c) No person shall drink or consume alcoholic liquor on public property except:

(1) On real property leased by a city to others under the provisions of K.S.A. 12-1740 through 12-1749, and amendments thereto, if such real property is actually being used for hotel or motel purposes or purposes incidental thereto.

(2) In any state-owned or operated building or structure, and on the surrounding premises, which is furnished to and occupied by any state officer or employee as a residence.

(3) On premises licensed as a club or drinking establishment and located on property owned or operated by an airport authority created pursuant to chapter 27 of the Kansas Statutes Annotated, and amendments thereto, or established by a city.

(4) On the state fairgrounds on the day of any race held thereon pursuant to the Kansas parimutuel racing act.

(5) On the state fairgrounds, if: (A) The alcoholic liquor is domestic beer or wine or wine imported under subsection (e) of K.S.A. 41-308a, and amendments thereto, and is consumed only for purposes of judging competitions; (B) the alcoholic liquor is wine or beer and is sold and consumed during the days of the Kansas state fair on premises leased by the state fair board to a person who holds a temporary permit issued pursuant to K.S.A. 41-2645, and amendments thereto, authorizing the sale and serving of such wine or beer, or both; or (C) the alcoholic liquor is consumed on nonfair days in conjunction with bona fide scheduled events involving not less than 75 invited guests and the state fair board, in its discretion, authorizes
the consumption of the alcoholic liquor, subject to any conditions or restrictions the board may require.

(6) In the state historical museum provided for by K.S.A. 76-2036, and amendments thereto, on the surrounding premises and in any other building on such premises, as authorized by rules and regulations of the state historical society.

(7) On the premises of any state-owned historic site under the jurisdiction and supervision of the state historical society, on the surrounding premises and in any other building on such premises, as authorized by rules and regulations of the state historical society.

(8) In a lake resort within the meaning of K.S.A. 32-867, and amendments thereto, on state-owned or leased property.

(9) In the Hiram Price Dillon house or on its surrounding premises, subject to limitations established in policies adopted by the legislative coordinating council, as provided by K.S.A. 75-3682, and amendments thereto.

(10) On the premises of any Kansas national guard regional training center or armory, and any building on such premises, as authorized by rules and regulations of the adjutant general and upon approval of the Kansas military board.

(11) On the premises of any land or waters owned or managed by the department of wildlife, parks and tourism, except as otherwise prohibited by rules and regulations of the department adopted by the secretary pursuant to K.S.A. 32-805, and amendments thereto.

(12) On property exempted from this subsection (c) pursuant to subsection (d), (e), (f), (g) or (h).

(d) Any city may exempt, by ordinance, from the provisions of subsection (c) specified property the title of which is vested in such city.

(e) The board of county commissioners of any county may exempt, by resolution, from the provisions of subsection (c) specified property the title of which is vested in such county.

(f) The state board of regents may exempt from the provisions of subsection (c) the Sternberg museum on the campus of Fort Hays state university, or other specified property which is under the control of such board and which is not used for classroom instruction, where alcoholic liquor may be consumed in accordance with policies adopted by such board.

(g) The board of regents of Washburn university may exempt from the provisions of subsection (c) the Mulvane art center and the Bradbury Thompson alumni center on the campus of Washburn university, and other specified property the title of which is vested in such board and which is not used for classroom instruction, where
alcoholic liquor may be consumed in accordance with policies adopted
by such board.

(h) The board of trustees of a community college may exempt
from the provisions of subsection (c) specified property which is under
the control of such board and which is not used for classroom
instruction, where alcoholic liquor may be consumed in accordance
with policies adopted by such board.

(i) Violation of any provision of this section is a misdemeanor
punishable by a fine of not less than $50 or more than $200 or by
imprisonment for not more than six months, or both.

(j) For the purposes of this section, "special event" means a
picnic, bazaar, festival or other similar community gathering, which
has been approved by the local governing body of any city, county or
township.

Sec. 3. K.S.A. 41-333, 41-334, 41-335, 41-336, 41-337, 41-338,
41-339, 41-340, 41-341, 41-2640 and 41-2722 and K.S.A. 2011 Supp. 41-
2601 are hereby repealed.

Sec. 6. On and after January 1, 2013, K.S.A. 2011 Supp. 41-719 is
hereby repealed.

Sec. 7. This act shall take effect and be in force from and after
its publication in the statute book.