

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Federal and State Affairs** recommends **SB 456** be amended on page 1, in line 11, by striking all after the comma; by striking all in lines 12 through 14; in line 15, by striking all before "no"; in line 17, by striking all after "on"; in line 31, by striking "before"; also in line 31, by striking "9 a.m. or after" and inserting "not earlier than 10 a.m. and not later than";

Also, on page 1, following line 35, by inserting:

"Sec. 2. K.S.A. 2019 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) A person who is not a citizen of the United States.

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

(7) 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) 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) 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) shall not apply in determining eligibility for a renewal license.

(10) A person whose spouse has been convicted of a felony or other crime which 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 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 shall allow the permit holder to offer for sale, sell and serve cereal malt beverage for consumption on unpermitted premises, which 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 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. 3. K.S.A. 2019 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. 2019 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2019 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. 2019 Supp. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 2019 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. 2019 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided in K.S.A. 2019 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. 2019 Supp. 41-2911, and amendments thereto, and have not been subsequently restricted as provided by K.S.A. 2019 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 10 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 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. 4. K.S.A. 2019 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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 10 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.

(e) A new election shall not be required to comply with the Sunday time change option authorized by this section.";

Also on page 1, in line 36, by striking "is" and inserting ", 41-2703, 41-2704 and 41-2911 are";

And by renumbering sections accordingly;

Also on page 1, in the title, in line 1, by striking "the sale of"; also in line 1, after the first "liquor" by inserting "; producer's license; cereal malt beverage retailers' license; sale"; in line 2, by striking "start time for Sunday sales" and inserting "sale of cereal malt beverage in the original package"; in line 3, after "41-712" by inserting ", 41-2703, 41-2704 and 41-2911"; also in line 3, by striking "section" and inserting "sections"; and the bill be passed as amended.

Chairperson