HOUSE BILL No. 2291

By Committee on Federal and State Affairs

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AN ACT concerning wines; authorizing shipping within, into and out of the state under certain circumstances; amending K.S.A. 41-308a and repealing the existing section.

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

New Section 1. (a) Notwithstanding any other provision of law to the contrary:

- (1) A holder of a license authorizing the manufacture of wine in a state which affords Kansas licensees an equal reciprocal shipping privilege may ship, for personal use and not for resale, not more than two cases of wine, each case containing not more than nine liters, per year to any adult resident of this state. Delivery of a shipment pursuant to this section shall not be deemed to constitute a sale in this state.
- (2) A farm winery licensee may ship, for personal use and not for resale, not more than two cases of wine, each case containing not more than nine liters, per year to any adult resident of this state or any adult resident of another state which affords Kansas licensees an equal reciprocal shipping privilege.
- (b) Any wine shipped pursuant to this section shall be in the original unopened container and the shipping container shall be clearly labeled to indicate that the package cannot be delivered to a person under 21 years of age or an intoxicated person.
- (c) As used in this section "adult" means a person 21 or more years of age.
- $\left(d\right)$ $\;$ This section shall be part of and supplemental to the Kansas liquor control act.
- Sec. 2. K.S.A. 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 and the storage thereof;
- (2) the sale of wine, manufactured by the licensee, to licensed wine distributors, retailers, clubs, drinking establishments and caterers;
- (3) the sale, on the licensed premises in the original unopened container to consumers for consumption off the licensed premises, of wine manufactured by the licensee;

- (4) the serving on the licensed premises of samples of wine manufactured by the licensee or imported under subsection (f), if the premises are located in a county where the sale of alcoholic liquor is permitted by law in licensed drinking establishments; and
- (5) 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; and
- (6) the sale and shipping of wine, manufactured by the licensee, to residents of other states as provided in section 1, and amendments thereto.
- (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 two five winery outlet licenses to the farm winery licensee. A winery outlet license shall allow:
- (1) The sale, on the licensed premises in the original unopened container to consumers for consumption off the licensed premises, of wine manufactured by the licensee; and
- (2) the serving on the licensed premises of samples of wine manufactured by the licensee or imported under subsection (f), if the premises are located in a county where the sale of alcoholic liquor is permitted by law in licensed drinking establishments.
- (c) Not less than 60% 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 label of domestic wine and domestic fortified wine shall indicate that a majority of the products utilized in the manufacture of the wine at such winery were grown in Kansas.
- (d) A farm winery having a capacity of 50,000 gallons per year or more which sells wine to any distributor shall be required to comply with all provisions of article 4 of chapter 41 of the Kansas Statutes Annotated and of K.S.A. 41-701 through 41-705 and 41-709, and amendments thereto, in the same manner and subject to the same penalties as a manufacturer.
- (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 except Sunday and between 12 noon and 6 p.m. on Sunday. If authorized by subsection (a), a farm winery may serve samples of domestic wine, domestic fortified wine and wine imported under subsection (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 (f) at any time when the winery outlet is authorized to sell domestic wine and domestic fortified wine.

- (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.
- (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.
 - (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.
- (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) This section shall be part of and supplemental to the Kansas liquor control act.
 - Sec. 3. K.S.A. 41-308a is hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.