As Amended by Senate Committee

Session of 2005

SENATE BILL No. 267

By Committee on Federal and State Affairs

2 - 16

12	AN ACT concerning alcoholic liquors; amending K.S.A. 41-308, 41-308a
13	and 41-803 41-308a and K.S.A. 2004 Supp. 41-719 and repealing the
14	existing sections section.
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16	Be it enacted by the Legislature of the State of Kansas:
17	Section 1. K.S.A. 41-308 is hereby amended to read as follows: 41-
18	308. (a) A retailer's license shall allow the licensee to sell and offer for
19	sale at retail and deliver in the original package, as therein prescribed,
20	alcoholic liquor for use or consumption off of and away from the premises
21	specified in such license. A retailer's license shall permit sale and delivery
22	of alcoholic liquor only on the licensed premises and shall not permit sale
23	of alcoholic liquor for resale in any form, except that a licensed retailer
24	may:
25	(1) Sell alcoholic liquor to a temporary permit holder for resale by
26	such permit holder, and
27	(2) sell and deliver alcoholic liquor to a caterer or to the licensed
28	premises of a club or drinking establishment, if such premises are in the
29	county where the retailer's premises are located or in an adjacent county,
30	for resale by such club, establishment or eaterer.
31	(b) A retailer's license shall allow the licensee to serve samples of
32	alcoholic liquor on the licensed premises if the premises are located in a
33	county where the sale of alcoholic liquor is permitted by law in licensed
34	drinking establishments.
35	(c) The holder of a retailer's license shall not sell, offer for sale, give
36	away or permit to be sold, offered for sale or given away in or from the
37	premises specified in such license any service or thing of value whatsoever
38	except alcoholic liquor in the original package, except that a licensed
39	retailer may:
40	(1) Charge a delivery fee for delivery to a club, drinking establishment
41	or caterer pursuant to subsection (a);
42	(2) sell lottery tickets and shares to the public in accordance with the
43	Kansas lottery act, if the retailer is selected as a lottery retailer;

1 - (3) include in the sale of alcoholic liquor any goods included by the

2 manufacturer in packaging with the alcoholic liquor, subject to the ap-3 proval of the director, and

4 (4) distribute to the public, without charge, consumer advertising 5 specialities bearing advertising matter, subject to rules and regulations of

6 the secretary limiting the form and distribution of such specialities so that

they are not conditioned on or an inducement to the purchase of alcoholie
 liquor; and

9 <u>(5)</u> serve samples of alcoholic liquor if authorized by subsection (b).

10 -(e) (d) No licensed retailer shall furnish any entertainment in such

11 premises or permit any pinball machine or game of skill or chance to be

12 located in or on such premises.

13 (d) (e) A retailer's license shall allow the licensee to store alcoholie

14 liquor in refrigerators, cold storage units, ice boxes or other cooling de-

vices, and the licensee may sell such alcoholic liquor to consumers in a
 chilled condition.

17 <u>Sec. 2.</u> Section 1. K.S.A. 41-308a is hereby amended to read as fol-18 lows: 41-308a. (a) A farm winery license shall allow:

(1) The manufacture of domestic table wine and domestic fortifiedwine and the storage thereof;

(2) the sale of wine, manufactured by the licensee, to licensed winedistributors, 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 *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 (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.

(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 three* 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

43 (2) the serving on the licensed premises of samples of wine manu-

factured 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.

4 (c) Not less than 60% of the products utilized in the manufacture of 5 domestic table wine and domestic fortified wine by a farm winery shall 6 be grown in Kansas except when a lesser proportion is authorized by the 7 director based upon the director's findings and judgment. The label of 8 domestic wine and domestic fortified wine shall indicate that a majority 9 of the products utilized in the manufacture of the wine at such winery 10 were grown in Kansas.

(d) A farm winery having a capacity of 50,000 250,000 100,000 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.

17(e) A farm winery or winery outlet may sell domestic wine and do-18mestic fortified wine in the original unopened container to consumers for 19consumption off the licensed premises at any time between 6 a.m. and 2012 midnight on any day except Sunday and between 12 noon and 6 p.m. 21on Sunday. If authorized by subsection (a), a farm winery may serve sam-22 ples of domestic wine, domestic fortified wine and wine imported under 23 subsection (f) and serve and sell domestic wine, domestic fortified wine 24 and other alcoholic liquor for consumption on the licensed premises at 25any time when a club or drinking establishment is authorized to serve 26and sell alcoholic liquor. If authorized by subsection (b), a winery outlet 27may serve samples of domestic wine, domestic fortified wine and wine 28imported under subsection (f) at any time when the winery outlet is au-29 thorized to sell domestic wine and domestic fortified wine.

30 (f) The director may issue to the Kansas state fair or any bona fide 31group of grape growers or wine makers a permit to import into this state 32 small quantities of wines. Such wine shall be used only for bona fide 33 educational and scientific tasting programs and shall not be resold. Such 34 wine shall not be subject to the tax imposed by K.S.A. 41-501, and amend-35 ments thereto. The permit shall identify specifically the brand and type 36 of wine to be imported, the quantity to be imported, the tasting programs 37 for which the wine is to be used and the times and locations of such 38 programs. The secretary shall adopt rules and regulations governing the 39 importation of wine pursuant to this subsection and the conduct of tasting 40 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.

1 (h) No farm winery or winery outlet shall:

2 (1) Employ any person under the age of 18 years in connection with 3 the manufacture, sale or serving of any alcoholic liquor;

4 (2) permit any employee of the licensee who is under the age of 21 5 years to work on the licensed premises at any time when not under the 6 on-premise supervision of either the licensee or an employee of the li-7 censee who is 21 years of age or over;

8 (3) employ any person under 21 years of age in connection with mix-9 ing or dispensing alcoholic liquor; or

10 (4) employ any person in connection with the manufacture or sale of 11 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 liquorcontrol act.

Sec. 3. K.S.A. 2004 Supp. 41-719 is hereby amended to read as fol lows: 41-719. (a) 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.

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

25 (1) On premises where the sale of liquor by the individual drink is
 26 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
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37 of alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto,
 38 takes place;

39 (4) in a private dining room of a hotel, motel or restaurant, if the

40 dining room is rented or made available on a special occasion to an in-

41 dividual or organization for a private party and if no sale of alcoholic liquor

42 in violation of K.S.A. 41-803, and amendments thereto, takes place; or

43 (5) on the premises of a microbrewery or farm winery, if authorized

1 by K.S.A. 41-308a or 41-308b, and amendments thereto; or

2 <u>(6)</u> on the licensed premises of a retailer if authorized by K.S.A. 41-3 308, and amendments thereto.

4 <u>(e) No person shall drink or consume alcoholic liquor on public prop-</u> 5 erty except:

6 (1) On real property leased by a city to others under the provisions

7 of K.S.A. 12-1740 through 12-1749, and amendments thereto, if such real

8 property is actually being used for hotel or motel purposes or purposes
 9 incidental thereto.

10 – (2) In any state-owned or operated building or structure, and on the 11 surrounding premises, which is furnished to and occupied by any state

12 officer or employee as a residence.

13 (3) On premises licensed as a club or drinking establishment and

14 located on property owned or operated by an airport authority created

15 pursuant to chapter 27 of the Kansas Statutes Annotated or established

16 by a city having a population of more than 200,000.

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

19 - (5) On the state fairgrounds, if such liquor is domestic beer or wine

20 or wine imported under subsection (e) of K.S.A. 41-308a, and amend-

21 ments thereto, and is consumed only for purposes of judging competi-

22 tions. The state fair board, in its discretion, may authorize the consump-

23 tion of such alcoholic liquor on nonfair days in conjunction with bona fide 24 scheduled events involving not less than 75 invited guests and subject to

24 scheduled events involving not less than 75 invited guests and subject to 25 any conditions or restrictions as the board may require.

26 (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

28 building on such premises, as authorized by rules and regulations of the

29 state historical society.

30 - (7) On the premises of any state-owned historie site under the juris-

31 diction and supervision of the state historical society, on the surrounding

32 premises and in any other building on such premises, as authorized by

33 rules and regulations of the state historical society.

34 (8) In a lake resort within the meaning of K.S.A. 32-867, and amend-

35 ments thereto, on state-owned or leased property.

36 <u>(9)</u> 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

39 thereto.

40 - (10) On the premises of the Kansas national guard regional training

41 center located in Saline county, and any building on such premises, as

42 authorized by rules and regulations of the adjutant general and upon

43 approval of the Kansas military board.

1 -(11) On property exempted from this subsection (e) pursuant to subsection (d), (e), (f), (g), (h) or (i). 2 3 (d) Any city may exempt, by ordinance, from the provisions of subsection (c) specified property the title of which is vested in such eity. 4 $\mathbf{5}$ (c) The board of county commissioners of any county may exempt, 6 by resolution, from the provisions of subsection (e) specified property the 7 title of which is vested in such county. 8 (f) The state board of regents may exempt from the provisions of 9 subsection (e) the Sternberg museum on the campus of Fort Hays state university, or other specified property which is under the control of such 10board and which is not used for classroom instruction, where alcoholic 11 12liquor may be consumed in accordance with policies adopted by such 13 board. - (g) The board of regents of Washburn university may exempt from 14the provisions of subsection (e) the Mulvane art center and the Bradbury 1516Thompson alumni center on the campus of Washburn university, and 17other specified property the title of which is vested in such board and which is not used for classroom instruction, where alcoholic liquor may 1819be consumed in accordance with policies adopted by such board. 20(h) Any city may exempt, by ordinance, from the provisions of sub-21section (c) any national guard armory in which such city has a leasehold 22 interest, if the Kansas military board consents to the exemption. 23 (i) The board of trustees of a community college may exempt from 24 the provisions of subsection (e) specified property which is under the 25control of such board and which is not used for classroom instruction, 26 where alcoholic liquor may be consumed in accordance with policies 27adopted by such board. 28(j) Violation of any provision of this section is a misdemeanor punish-29able by a fine of not less than \$50 or more than \$200 or by imprisonment 30 for not more than six months, or both. 31 -See. 4. K.S.A. 41-803 is hereby amended to read as follows: 41-803. 32 (a) It shall be unlawful for any person to own, maintain, operate or con-33 duct, either directly or indirectly, an open saloon. 34 (b) As used in this section, "open saloon" means any place, public or 35 private, where alcoholic liquor is sold or offered or kept for sale by the 36 drink or in any quantity of less than 100 milliliters (3.4 fluid ounces) or 37 sold or offered or kept for sale for consumption on the premises where 38 sold, but does not include: 39 -(1) Any premises where the sale of liquor is authorized by the elub 40 and drinking establishment act or, on and after January 1, 1988,; 41(2) any microbrewery or farm winery, if authorized by K.S.A. 41-308a 42or K.S.A. 41-308b, and amendments thereto; or -(3) any licensed retailer, if authorized by K.S.A. 41-308, and amend-43

- 1 ments thereto.
- 2 (c) Any violation of the provisions of this section is a misdemeanor

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- 3 punishable by a fine of not more than \$500 and by imprisonment for not
- 4 more than 90 days.
- 5 Sec. 5 2. K.S.A. 41-308, 41-308a and 41-803 and K.S.A. 2004 Supp.
 6 41-719 are 41-308a is hereby repealed.
- 7 Sec. 63. This act shall take effect and be in force from and after its
- 8 publication in the statute book.