

SESSION OF 2006

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 403**

As Amended by Senate Committee of the Whole

**Brief\***

SB 403 would amend the Kansas Liquor Control Act by clarifying the administrative process as it relates to violations of the Liquor Control Act or the Club and Drinking Establishment Act. The bill also would prohibit persons, who have had a retail liquor license or a temporary permit revoked, from operating retail liquor stores or club and drinking establishments.

The bill would require a "notice to appear" to be issued for a violation of the Liquor Control Act or the Club and Drinking Establishment Act instead of a "citation," and the notice to appear would have to be served in person or by mail to the licensee's last known address. If the notice is not served within 30 days, it would be considered null and void.

A "notice to appear" would be defined by KSA 22-2408 which states that the notice must contain the name and address of the person detained, the crime charged, and the time and place when and where such person shall appear in court.

The bill would prohibit a retailer or a licensee of a temporary permit from employing any person in the operation of a retail establishment, club, drinking establishment, caterer, or temporary permit who has had a license revoked or who has a beneficial interest in a license that had been revoked.

The bill would define "operations of a retail establishment, club, drinking establishment, caterer, or temporary permit," to include involvement in the following:

- Hiring, firing, or supervising employees;
- Determining and ordering inventory;

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Determining advertising, marketing or promotional programs; and
- Participating in negotiating or executing contracts.

## **Background**

The Director of Alcohol Beverage Control explained that ABC routinely issues “citations” to licensees for administrative violations and “notices to appear” for criminal violations of the Liquor Control Act and the Club and Drinking Establishment Act. He also stated that currently there is nothing prohibiting a person who has had a liquor license revoked from operating/managing a retail establishment.

A representative of the Kansas Licensed Beverage Association testified in support of the bill. Representatives of Kansas Restaurant and Hospitality Association and The Kansas Association of Beverage Retailers testified in opposition to the bill.

The Committee amended the bill to define "notice to appear" as it applied in statute and clarified that "notice to appear" would be "null and void" if not served.

The Senate Committee of the Whole amended the bill by defining the activities for the operations of a retail establishment, club, drinking establishment, caterer, or temporary permit.

The fiscal note indicates that the passage of SB 403 would require the revision of licensing forms and the mailing of a notice to licensees at a cost of \$2000.