

## Senate Substitute for HOUSE BILL No. 2077

By Committee on Federal and State Affairs

3-26

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1 AN ACT concerning alcoholic beverages; relating to tastings on licensed  
2 premises; relating to penalties; amending K.S.A. 41-713 and 41-2610  
3 and K.S.A. 2012 Supp. 41-308d, 41-354, 41-2601, 41-2637, 41-2640,  
4 41-2641, 41-2642, 41-2655 and 79-41a02 and repealing the existing  
5 sections.

6  
7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 2012 Supp. 41-2601 is hereby amended to read as  
9 follows: 41-2601. As used in the club and drinking establishment act:

10 (a) The following terms shall have the meanings provided by K.S.A.  
11 41-102, and amendments thereto: (1) "Alcoholic liquor"; (2) "director"; (3)  
12 "original package"; (4) "person"; (5) "sale"; and (6) "to sell."

13 (b) "Beneficial interest" shall not include any interest a person may  
14 have as owner, operator, lessee or franchise holder of a licensed hotel or  
15 motel on the premises of which a club or drinking establishment is located.

16 (c) "Caterer" means an individual, partnership or corporation which  
17 sells alcoholic liquor by the individual drink, and provides services related  
18 to the serving thereof, on unlicensed premises which may be open to the  
19 public, but does not include a holder of a temporary permit, selling  
20 alcoholic liquor in accordance with the terms of such permit.

21 (d) "Cereal malt beverage" has the meaning provided by K.S.A. 41-  
22 2701, and amendments thereto.

23 (e) "Class A club" means a premises which is owned or leased by a  
24 corporation, partnership, business trust or association and which is  
25 operated thereby as a bona fide nonprofit social, fraternal or war veterans'  
26 club, as determined by the director, for the exclusive use of the corporate  
27 stockholders, partners, trust beneficiaries or associates (hereinafter referred  
28 to as members) and their families and guests accompanying them.

29 (f) "Class B club" means a premises operated for profit by a  
30 corporation, partnership or individual, to which members of such club may  
31 resort for the consumption of food or alcoholic beverages and for  
32 entertainment.

33 (g) "Club" means a class A or class B club.

34 (h) "Drinking establishment" means premises which may be open to  
35 the general public, where alcoholic liquor by the individual drink is sold.  
36 Drinking establishment includes a railway car.

1 (i) "Food" means any raw, cooked or processed edible substance or  
2 ingredient, other than alcoholic liquor or cereal malt beverage, used or  
3 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.  
5 36-501, and amendments thereto.

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

8 (l) "Individual drink" means a beverage containing alcoholic liquor or  
9 cereal malt beverage served to an individual for consumption by such  
10 individual or another individual, but which is not intended to be consumed  
11 by two or more individuals. The term "individual drink" includes  
12 beverages containing not more than: (1) Eight ounces of wine; (2) thirty-  
13 two ounces of beer or cereal malt beverage; or (3) four ounces of a single  
14 spirit or a combination of spirits.

15 (m) "Minibar" means a closed cabinet, whether nonrefrigerated or  
16 wholly or partially refrigerated, access to the interior of which is restricted  
17 by means of a locking device which requires the use of a key, magnetic  
18 card or similar device.

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

20 (o) "Morals charge" means a charge involving prostitution; procuring  
21 any person; soliciting of a child under 18 years of age for any immoral act  
22 involving sex; possession or sale of narcotics, marijuana, amphetamines or  
23 barbiturates; rape; incest; gambling; illegal cohabitation; adultery; bigamy;  
24 or a crime against nature.

25 (p) "Municipal corporation" means the governing body of any county  
26 or city.

27 (q) "Public venue" means an arena, stadium, hall or theater, used  
28 primarily for athletic or sporting events, live concerts, live theatrical  
29 productions or similar seasonal entertainment events, not operated on a  
30 daily basis, and containing:

31 (1) Not less than 4,000 permanent seats; and

32 (2) not less than two private suites, which are enclosed or semi-  
33 enclosed seating areas, having controlled access and separated from the  
34 general admission areas by a permanent barrier.

35 (r) "Railway car" means a locomotive drawn conveyance used for the  
36 transportation and accommodation of human passengers that is confined to  
37 a fixed rail route and which derives from sales of food for consumption on  
38 the railway car not less than 30% of its gross receipts from all sales of food  
39 and beverages in a 12-month period.

40 (s) "Restaurant" means:

41 (1) In the case of a club, a licensed food service establishment which,  
42 as determined by the director, derives from sales of food for consumption  
43 on the licensed club premises not less than 50% of its gross receipts from

1 all sales of food and beverages on such premises in a 12-month period;

2 (2) in the case of a drinking establishment subject to a food sales  
3 requirement under K.S.A. 41-2642, and amendments thereto, a licensed  
4 food service establishment which, as determined by the director, derives  
5 from sales of food for consumption on the licensed drinking establishment  
6 premises not less than 30% of its gross receipts from all sales of food and  
7 beverages on such premises in a 12-month period; and

8 (3) in the case of a drinking establishment subject to no food sales  
9 requirement under K.S.A. 41-2642, and amendments thereto, a licensed  
10 food service establishment.

11 (t) "RV resort" means premises where a place to park recreational  
12 vehicles, as defined in K.S.A. 75-1212, and amendments thereto, is offered  
13 for pay, primarily to transient guests, for overnight or longer use while  
14 such recreational vehicles are used as sleeping or living accommodations.

15 (u) "*Sample*" means a serving of alcoholic liquor which contains not  
16 more than: (1) One-half ounce of distilled spirits; (2) one ounce of wine;  
17 or (3) two ounces of beer or cereal malt beverage. A sample of a mixed  
18 alcoholic beverage shall contain not more than one-half ounce of distilled  
19 spirits.

20 (v) "Secretary" means the secretary of revenue.

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

23 Sec. 2. K.S.A. 2012 Supp. 41-2637 is hereby amended to read as  
24 follows: 41-2637. (a) A license for a class A club shall allow the licensee  
25 to: (1) Offer for sale, sell and serve alcoholic liquor for consumption on  
26 the licensed premises by members and their families, and guests  
27 accompanying them; and (2) serve samples of alcoholic liquor free of  
28 charge for consumption by members and their families and guests  
29 accompanying them.

30 *No charge of any sort may be made for a sample serving. A person may*  
31 *be served no more than five samples per visit. Samples may not be served*  
32 *to a minor. No samples may be removed from the licensed premises. No*  
33 *consideration shall be requested or required for entry onto the premises,*  
34 *participation in any event taking place on the premises or to remain on the*  
35 *premises.*

36 (b) (1) Subject to the provisions of subsection (b)(2), any two or more  
37 class A or class B clubs may permit, by an agreement filed with and  
38 approved by the director, the members of each such club to have access to  
39 all other clubs which are parties to such agreement. The privileges  
40 extended to the visiting members of other clubs under such an agreement  
41 shall be determined by the agreement and, if the agreement so provides,  
42 any club which is a party to such agreement may sell, offer for sale and  
43 serve, to any person who is a member of another club which is a party to

1 such agreement, alcoholic liquor for consumption on the licensed premises  
2 by such person and such person's family, and guests accompanying them.

3 (2) A class B club may enter into a reciprocal agreement authorized  
4 by subsection (b)(1) only if the class B club is a restaurant.

5 (c) A licensee may store on its premises wine sold to a customer for  
6 consumption at a later date on its premises in the unopened container. Such  
7 wine must be kept separate from all other alcohol stock and in a secure  
8 locked area separated by customer. Such wine shall not be removed from  
9 the licensed premises in its unopened condition.

10 Sec. 3. K.S.A. 2012 Supp. 41-2640 is hereby amended to read as  
11 follows: 41-2640. (a) *Except as otherwise provided in this act*, no club,  
12 drinking establishment, caterer or holder of a temporary permit, nor any  
13 person acting as an employee or agent thereof, shall:

14 (1) Offer or serve any free cereal malt beverage or alcoholic liquor in  
15 any form to any person;

16 (2) offer or serve to any person an individual drink at a price that is  
17 less than the acquisition cost of the individual drink to the licensee or  
18 permit holder;

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

23 (4) encourage or permit, on the licensed premises, any game or  
24 contest which involves drinking alcoholic liquor or cereal malt beverage or  
25 the awarding of individual drinks as prizes; or

26 (5) advertise or promote in any way, whether on or off the licensed  
27 premises, any of the practices prohibited under subsections (a)(1) through  
28 (4).

29 (b) No public venue, nor any person acting as an employee or agent  
30 thereof, shall:

31 (1) Offer or serve any free cereal malt beverage or alcoholic liquor in  
32 any form to any person;

33 (2) offer or serve to any person a drink or original container of  
34 alcoholic liquor or cereal malt beverage at a price that is less than the  
35 acquisition cost of the drink or original container of alcoholic liquor or  
36 cereal malt beverage to the licensee;

37 (3) sell or serve alcoholic liquor in glass containers to customers in  
38 the general admission area;

39 (4) sell or serve more than two drinks per customer at any one time in  
40 the general admission area;

41 (5) encourage or permit, on the licensed premises, any game or  
42 contest which involves drinking alcoholic liquor or cereal malt beverage or  
43 the awarding of drinks as prizes; or

1 (6) advertise or promote in any way, whether on or off the licensed  
2 premises, any of the practices prohibited under subsections (b)(1) through  
3 (5).

4 (c) A public venue club, drinking establishment, caterer or holder of a  
5 temporary permit may:

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

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

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

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

12 (5) *offer samples of alcoholic liquor free of charge as authorized by*  
13 *this act.*

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

16 (e) Violation of any provision of this section shall be grounds for  
17 suspension or revocation of the licensee's license as provided by K.S.A.  
18 41-2609, and amendments thereto, and for imposition of a civil fine on the  
19 licensee or temporary permit holder as provided by K.S.A. 41-2633a, and  
20 amendments thereto.

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

25 Sec. 4. K.S.A. 2012 Supp. 41-2641 is hereby amended to read as  
26 follows: 41-2641. (a) A license for a class B club shall allow the licensee  
27 to: (1) Offer for sale, sell and serve alcoholic liquor for consumption on  
28 the licensed premises by members of such club and guests accompanying  
29 them; and (2) *serve samples of alcoholic liquor free of charge on the*  
30 *licensed premises for consumption by such members and their families*  
31 *and guests accompanying them.*

32 *No charge of any sort may be made for a sample serving. A person may*  
33 *be served no more than five samples per visit. Samples may not be served*  
34 *to a minor. No samples may be removed from the licensed premises.*  
35 *Providing samples is prohibited for any licensee who charges a cover*  
36 *charge or entry fee at any time during the business day. No consideration*  
37 *shall be requested or required for entry onto the premises, participation in*  
38 *any event taking place on the premises or to remain on the premises.*

39 (b) (1) Subject to the provisions of subsection (b)(2), any two or more  
40 class A or class B clubs may permit, by an agreement filed with and  
41 approved by the director, the members of each such club to have access to  
42 all other clubs which are parties to such agreement. The privileges  
43 extended to the visiting members of other clubs under such an agreement

1 shall be determined by the agreement and, if the agreement so provides,  
2 any club which is a party to such agreement may sell, offer for sale and  
3 serve, to any person who is a member of another club which is a party to  
4 such agreement, alcoholic liquor for consumption on the licensed premises  
5 by such person and such person's family, and guests accompanying them.

6 (2) A class B club may enter into a reciprocal agreement authorized  
7 by subsection (b)(1) only if the class B club is a restaurant.

8 (c) Except as provided by subsection (d), an applicant for  
9 membership in a class B club shall, before becoming a member of such  
10 club:

11 (1) Be screened by the club for good moral character;

12 (2) pay an annual membership fee of not less than \$10; and

13 (3) wait for a period of 10 days after completion of the application  
14 form and payment of the membership fee.

15 (d) Notwithstanding the membership fee and waiting period  
16 requirement of subsection (c):

17 (1) Any class B club located on the premises of a hotel or RV resort  
18 may establish rules whereby a guest, who registered at the hotel or RV  
19 resort and who is not a resident of the county in which the club is located,  
20 may file application for temporary membership in such club. The  
21 membership, if granted, shall be valid only for the period of time that the  
22 guest is a bona fide registered guest at the hotel or RV resort and such  
23 temporary membership shall not be subject to the waiting period or fee  
24 requirement of this section.

25 (2) Any class B club located on property which is owned or operated  
26 by a municipal airport authority and upon which consumption of alcoholic  
27 liquor is authorized by law may establish rules whereby an air traveler  
28 who is a holder of a current airline ticket may file application for  
29 temporary membership in such club for the day such air traveler's ticket is  
30 valid, and such temporary membership shall not be subject to the waiting  
31 period or fee requirement of this section.

32 (3) Any class B club may establish rules whereby military personnel  
33 of the armed forces of the United States on temporary duty and housed at  
34 or near any military installation located within the exterior boundaries of  
35 the state of Kansas may file application for temporary membership in such  
36 club. The membership, if granted, shall be valid only for the period of the  
37 training, not to exceed 20 weeks. Any person wishing to make application  
38 for temporary membership in a class B club under this subsection (d)(3)  
39 shall present the temporary duty orders to the club. Temporary  
40 membership issued under this subsection (d)(3) shall not be subject to the  
41 waiting period or fee requirements of this section.

42 (4) Any class B club may enter into a written agreement with a hotel  
43 or RV resort whereby a guest who is registered at the hotel or RV resort

1 and who is not a resident of the county in which the club is located may  
2 file application for temporary membership in such club. The temporary  
3 membership, if granted, shall be valid only for the period of time that the  
4 guest is a bona fide registered guest at the hotel or RV resort and shall not  
5 be subject to the waiting period or dues requirement of this section. A club  
6 may enter into a written agreement with a hotel or RV resort pursuant to  
7 this provision only if: (A) The hotel or RV resort is located in the same  
8 county as the club;; (B) there is no class B club located on the premises of  
9 the hotel or RV resort; and (C) no other club has entered into a written  
10 agreement with the hotel or RV resort pursuant to this section.

11 (5) Any class B club located in a racetrack facility where races with  
12 parimutuel wagering are conducted under the Kansas parimutuel racing act  
13 may establish rules whereby persons attending such races may file an  
14 application for temporary membership in such club for the day such person  
15 is attending such races, and such temporary membership shall not be  
16 subject to the waiting period or fee requirement of this section.

17 (e) A licensee may store on its premises wine sold to a customer for  
18 consumption at a later date on its premises in the unopened container. Such  
19 wine must be kept separate from all other alcohol stock and in a secure  
20 locked area separated by customer. Such wine shall not be removed from  
21 the licensed premises in its unopened condition.

22 Sec. 5. K.S.A. 2012 Supp. 41-2642 is hereby amended to read as  
23 follows: 41-2642. (a) A license for a drinking establishment shall allow the  
24 licensee to offer for sale, sell and serve alcoholic liquor for consumption  
25 on the licensed premises which may be open to the public, *and to serve*  
26 *samples of alcoholic liquor free of charge on licensed premises subject to*  
27 *the requirements of subsection (c)*, but only if such premises are located in  
28 a county where the qualified electors of the county:

29 (1) (A) Approved, by a majority vote of those voting thereon, the  
30 proposition to amend section 10 of article 15 of the constitution of the state  
31 of Kansas at the general election in November 1986, or (B) have approved  
32 a proposition to allow sales of alcoholic liquor by the individual drink in  
33 public places within the county at an election pursuant to K.S.A. 41-2646,  
34 and amendments thereto; and

35 (2) have not approved a proposition to prohibit such sales of alcoholic  
36 liquor in such places at a subsequent election pursuant to K.S.A. 41-2646,  
37 and amendments thereto.

38 (b) A drinking establishment shall be required to derive from sales of  
39 food for consumption on the licensed premises not less than 30% of all the  
40 establishment's gross receipts from sales of food and beverages on such  
41 premises unless the licensed premises are located in a county where the  
42 qualified electors of the county:

43 (1) Have approved, at an election pursuant to K.S.A. 41-2646, and

1 amendments thereto, a proposition to allow sales of alcoholic liquor by the  
2 individual drink in public places within the county without a requirement  
3 that any portion of their gross receipts be derived from the sale of food;  
4 and

5 (2) have not approved a proposition to prohibit such sales of alcoholic  
6 liquor in such places at a subsequent election pursuant to K.S.A. 41-2646,  
7 and amendments thereto.

8 (c) *No charge of any sort may be made for a sample serving. A*  
9 *person may be served no more than five samples per visit. Samples may*  
10 *not be served to a minor. No samples may be removed from the licensed*  
11 *premises. Providing samples is prohibited for any licensee who charges a*  
12 *cover charge or entry fee at any time during the business day. No*  
13 *consideration shall be requested or required for entry onto the premises,*  
14 *participation in any event taking place on the premises or to remain on the*  
15 *premises.*

16 (d) A drinking establishment shall specify in the application for a  
17 license or renewal of a license the premises to be licensed, which may  
18 include all premises which are in close proximity and are under the control  
19 of the applicant or licensee.

20 (e) Notwithstanding any other provision of law to the contrary,  
21 any hotel of which the entire premises are licensed as a drinking  
22 establishment or as a drinking establishment/caterer may sell alcoholic  
23 liquor or cereal malt beverage by means of minibars located in guest  
24 rooms of such hotel, subject to the following:

25 (1) The key, magnetic card or other device required to attain access to  
26 a minibar in a guest room shall be provided only to guests who are  
27 registered to stay in such room and who are 21 or more years of age;

28 (2) containers or packages of spirits or wine sold by means of a  
29 minibar shall hold not less than 50 nor more than 200 milliliters; and

30 (3) a minibar shall be restocked with alcoholic liquor or cereal malt  
31 beverage only during hours when the hotel is permitted to sell alcoholic  
32 liquor and cereal malt beverage as a drinking establishment.

33 (f) A drinking establishment may store on its premises wine sold  
34 to a customer for consumption at a later date on its premises in the  
35 unopened container. Such wine must be kept separate from all other  
36 alcohol stock and in a secure locked area separated by customer. Such  
37 wine shall not be removed from the licensed premises in its unopened  
38 condition.

39 Sec. 6. K.S.A. 2012 Supp. 41-308d is hereby amended to read as  
40 follows: 41-308d. (a) Notwithstanding any other provisions of the Kansas  
41 liquor control act to the contrary, any person or entity who is licensed to  
42 sell alcoholic liquor in the original package at retail may conduct wine,  
43 beer and distilled spirit tastings on the licensed premises, or adjacent



1 premises, monitored and regulated by the division of alcoholic beverage  
2 control, as follows:

3 (1) Wine, beer and spirits for the tastings shall come from the  
4 inventory of the licensee. Except as provided by paragraph (2), a person  
5 other than the licensee or the licensee's agent or employee may not  
6 dispense or participate in the dispensing of alcoholic beverages under this  
7 section.

8 (2) The holder of a supplier's permit or such permit holder's agent or  
9 employee may participate in and conduct product tastings of alcoholic  
10 beverages at a retail licensee's premises, or adjacent premises, monitored  
11 and regulated by the division of alcoholic beverage control, and may open,  
12 touch, or pour alcoholic beverages, make a presentation, or answer  
13 questions at the tasting. Any alcoholic beverage tasted under this  
14 subsection must be purchased from the retailer on whose premises the  
15 tasting is held. The retailer may not require the purchase of more alcoholic  
16 beverages than are necessary for the tasting. This section does not  
17 authorize the supplier or its agent to withdraw or purchase an alcoholic  
18 beverage from the holder of a distributor's permit or provide an alcoholic  
19 beverage for tasting on a retailer's premises that is not purchased from the  
20 retailer.

21 (3) No charge of any sort may be made for a sample serving.

22 (4) A person may be served more than one sample. Samples may not  
23 be served to a minor. No samples may be removed from the licensed  
24 premises.

25 (5) The act of providing samples to consumers shall be exempt from  
26 the requirement of holding a Kansas food service dealer license from the  
27 department of agriculture under the provisions of chapter 65 of the Kansas  
28 Statutes Annotated, and amendments thereto.

29 (b) Nothing in this section shall be construed to permit the licensee to  
30 sell wine, malt beverages or distilled spirits for on-premises consumption.

31 (c) The provisions of this section shall take effect and be in force  
32 from and after July 1, 2012.

33 (d) *All rules and regulations adopted on and after July 1, 2012, and*  
34 *prior to July 1, 2013, to implement this section shall continue to be*  
35 *effective and shall be deemed to be duly adopted rules and regulations of*  
36 *the secretary until revised, amended, revoked or nullified pursuant to law.*

37 (e) *This section shall be a part of and supplemental to the Kansas*  
38 *liquor control act.*

39 Sec. 7. K.S.A. 41-713 is hereby amended to read as follows: 41-713.

40 (a) It shall be unlawful for a retailer of alcoholic liquor:

41 (1) To permit any person to mix drinks in or on the licensed premises,  
42 *except as provided in subsection (b);*

43 (2) to employ any person under the age of ~~twenty-one (21)~~ 21 years

1 in connection with the operation of such retail establishment; or

2 (3) to employ any person in connection with the operation of such  
3 retail establishment who has been adjudged guilty of a felony.

4 (b) *The provisions of subsection (a)(1) shall not apply to the*  
5 *preparation or mixing of samples for the purposes of conducting wine,*  
6 *beer, or distilled spirit tastings, or any combination thereof, as authorized*  
7 *by K.S.A. 2012 Supp. 41-308d, and amendments thereto.*

8 Sec. 8. K.S.A. 2012 Supp. 41-354 is hereby amended to read as  
9 follows: 41-354. (a) A microdistillery license shall allow:

10 (1) The manufacture of not more than 50,000 gallons of spirits per  
11 year and the storage thereof;

12 (2) the sale to spirit distributors of spirits, manufactured by the  
13 licensee;

14 (3) the sale, on the licensed premises in the original unopened  
15 container to consumers for consumption off the licensed premises, of  
16 spirits manufactured by the licensee;

17 (4) the serving free of charge on the licensed premises and at special  
18 events, monitored and regulated by the division of alcoholic beverage  
19 control, of samples of spirits manufactured by the licensee, if the premises  
20 are located in a county where the sale of alcoholic liquor is permitted by  
21 law in licensed drinking establishments;

22 (5) if the licensee is also licensed as a club or drinking establishment,  
23 the sale of spirits and other alcoholic liquor for consumption on the  
24 licensed premises as authorized by the club and drinking establishment  
25 act; and

26 (6) if the licensee is also licensed as a caterer, the sale of spirits and  
27 other alcoholic liquor for consumption on unlicensed premises as  
28 authorized by the club and drinking establishment act.

29 (b) Upon application and payment of the fee prescribed by K.S.A. 41-  
30 310, and amendments thereto, by a microdistillery licensee, the director  
31 may issue not to exceed one microdistillery packaging and warehousing  
32 facility license to the microdistillery licensee. A microdistillery packaging  
33 and warehousing facility license shall allow:

34 (1) The transfer, from the licensed premises of the microdistillery to  
35 the licensed premises of the microdistillery packaging and warehousing  
36 facility, of spirits manufactured by the licensee, for the purpose of  
37 packaging or storage, or both;

38 (2) the transfer, from the licensed premises of the microdistillery  
39 packaging and warehousing facility to the licensed premises of the  
40 microdistillery, of spirits manufactured by the licensee; or

41 (3) the removal from the licensed premises of the microdistillery  
42 packaging and warehousing facility of spirits manufactured by the licensee  
43 for the purpose of delivery to a licensed spirits wholesaler.

1 (c) A microdistillery may sell spirits in the original unopened  
2 container to consumers for consumption off the licensed premises at any  
3 time between 6 a.m. and 12 midnight on any day except Sunday and  
4 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a  
5 microdistillery may serve samples of spirits and serve and sell spirits and  
6 other alcoholic liquor for consumption on the licensed premises at any  
7 time when a club or drinking establishment is authorized to serve and sell  
8 alcoholic liquor.

9 (d) The director may issue to the Kansas state fair or any bona fide  
10 group of distillers a permit to import into this state small quantities of  
11 spirits. Such spirits shall be used only for bona fide educational and  
12 scientific tasting programs and shall not be resold. Such spirits shall not be  
13 subject to the tax imposed by K.S.A. 41-501, and amendments thereto. The  
14 permit shall identify specifically the brand and type of spirit to be  
15 imported, the quantity to be imported, the tasting programs for which the  
16 spirit is to be used and the times and locations of such programs. The  
17 secretary shall adopt rules and regulations governing the importation of  
18 spirits pursuant to this subsection and the conduct of tasting programs for  
19 which such spirits are imported.

20 (e) A microdistillery license or microdistillery packaging and  
21 warehousing facility license shall apply only to the premises described in  
22 the application and in the license issued and only one location shall be  
23 described in the license.

24 (f) No microdistillery shall:

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

27 (2) permit any employee of the licensee who is under the age of 21  
28 years to work on the licensed premises at any time when not under the on-  
29 premises supervision of either the licensee or an employee of the licensee  
30 who is 21 years of age or over;

31 (3) employ any person under 21 years of age in connection with  
32 mixing or dispensing alcoholic liquor; or

33 (4) employ any person in connection with the manufacture or sale of  
34 alcoholic liquor if the person has been convicted of a felony.

35 (g) Whenever a microdistillery licensee is convicted of a violation of  
36 the Kansas liquor control act, the director may revoke the licensee's license  
37 and all fees paid for the license in accordance with the Kansas  
38 administrative procedure act.

39 (h) The provisions of this section shall take effect and be in force  
40 from and after July 1, 2012.

41 (i) *All rules and regulations adopted on and after July 1, 2012, and*  
42 *prior to July 1, 2013, to implement this section shall continue to be*  
43 *effective and shall be deemed to be duly adopted rules and regulations of*

1 *the secretary until revised, amended, revoked or nullified pursuant to law.*

2 (j) *This section shall be a part of and supplemental to the Kansas*  
3 *liquor control act.*

4 Sec. 9. K.S.A. 2012 Supp. 41-2655 is hereby amended to read as  
5 follows: 41-2655. (a) A license for a public venue shall allow the licensee  
6 to:

7 (1) Offer for sale, sell and serve alcoholic liquor by the individual  
8 drink for consumption on the licensed premises;

9 (2) offer for sale, sell and serve unlimited drinks for a fixed price in  
10 designated areas of the licensed premises;

11 (3) offer for sale and sell all inclusive packages which include  
12 unlimited drinks in designated areas of the licensed premises;

13 (4) offer for sale, sell and serve alcoholic liquor in the original  
14 container for consumption on the licensed premises in private suites,  
15 which are enclosed or semi-enclosed seating areas, having controlled  
16 access and separated from the general admission areas by a permanent  
17 barrier;

18 (5) store, in each private suite, which ~~are~~ *is* enclosed or semi-enclosed  
19 seating areas, having controlled access and separated from the general  
20 admission areas by a permanent barrier, alcoholic liquor sold in the  
21 original container to a customer in that private suite; and

22 (6) with the approval of the retailer or distributor, return for a full  
23 refund of the original purchase price unopened containers of alcoholic  
24 liquor to the retailer or distributor from whom such items were purchased  
25 upon the conclusion of an event if the next scheduled event for that  
26 premises is more than 90 days from the date of the concluded event.

27 (b) An applicant or public venue licensee shall specify in the  
28 application for a license, or renewal of a license, the premises to be  
29 licensed. No public venue licensee may offer for sale, sell or serve any  
30 alcoholic liquor in any area not included in the licensed premises.

31 (c) The term "designated areas" for purposes of this section shall  
32 mean an area identified in the license application, which may include  
33 suites, that has controlled access and is separated from the general  
34 admission by a barrier.

35 (d) The provisions of this section shall take effect and be in force  
36 from and after July 1, 2012.

37 (e) *All rules and regulations adopted on and after July 1, 2012, and*  
38 *prior to July 1, 2013, to implement this section shall continue to be*  
39 *effective and shall be deemed to be duly adopted rules and regulations of*  
40 *the secretary until revised, amended, revoked or nullified pursuant to law.*

41 (f) *This section shall be a part of and supplemental to the club and*  
42 *drinking establishment act.*

43 Sec. 10. K.S.A. 41-2610 is hereby amended to read as follows: 41-

1 2610. It shall be unlawful for any licensee or holder of a temporary permit  
2 under this act to:

3 (a) Employ any person under the age of 18 years in connection with  
4 the serving of alcoholic liquor.

5 (b) Employ knowingly or continue in employment any person in  
6 connection with the dispensing or serving of alcoholic liquor or the mixing  
7 of drinks containing alcoholic liquor who has been adjudged guilty of a  
8 felony or of any crime involving a morals charge in this or any other state,  
9 or of the United States.

10 ~~(c) Employ knowingly or to continue in employment any person in~~  
11 ~~connection with the dispensing or serving of alcoholic liquor or mixing of~~  
12 ~~drinks containing alcoholic liquor who has been adjudged guilty of a~~  
13 ~~violation of any intoxicating liquor law of this or any other state, or of the~~  
14 ~~United States, during the two-year period immediately following such~~  
15 ~~adjudging. Knowingly employ or continue to employ any person in~~  
16 ~~connection with the dispensing or serving of alcoholic liquor, or the~~  
17 ~~mixing of drinks containing alcoholic liquor, who has been adjudged~~  
18 ~~guilty of two or more violations of K.S.A. 2012 Supp. 21-5607, and~~  
19 ~~amendments thereto, furnishing alcoholic liquor to minors or a similar~~  
20 ~~law of any other state, or of the United States, pertaining to furnishing~~  
21 ~~alcoholic liquor to minors within the immediately preceding five years, or~~  
22 ~~who has been adjudged guilty of three or more violations of any~~  
23 ~~intoxicating liquor law of this or any other state, or of the United States,~~  
24 ~~not involving the furnishing of alcoholic liquor to minors within the~~  
25 ~~immediately preceding five years.~~

26 (d) In the case of a club, fail to maintain at the licensed premises a  
27 current list of all members and their residence addresses or refuse to allow  
28 the director, any of the director's authorized agents or any law enforcement  
29 officer to inspect such list.

30 (e) Purchase alcoholic liquor from any person except from a person  
31 authorized by law to sell such alcoholic liquor to such licensee or permit  
32 holder.

33 (f) Permit any employee of the licensee or permit holder who is under  
34 the age of 21 years to work on premises where alcoholic liquor is sold by  
35 such licensee or permit holder at any time when not under the on-premises  
36 supervision of either the licensee or permit holder, or an employee who is  
37 21 years of age or over.

38 (g) Employ any person under 21 years of age in connection with the  
39 mixing or dispensing of drinks containing alcoholic liquor.

40 Sec. 11. K.S.A. 2012 Supp. 79-41a02 is hereby amended to read as  
41 follows: 79-41a02. (a) There is hereby imposed, for the privilege of selling  
42 alcoholic liquor, a tax at the rate of 10% upon the gross receipts derived  
43 from the sale of alcoholic liquor by any club, caterer, drinking

1 establishment, public venue or temporary permit holder, *and upon the*  
2 *acquisition costs of any alcoholic liquor served as samples by clubs and*  
3 *drinking establishments.*

4 (b) The tax imposed by this section shall be paid by the consumer to  
5 the club, caterer, drinking establishment, public venue or temporary permit  
6 holder and it shall be the duty of each and every club, caterer, drinking  
7 establishment, public venue or temporary permit holder subject to this  
8 section to collect from the consumer the full amount of such tax, or an  
9 amount equal as nearly as possible or practicable to the average equivalent  
10 thereto. Each club, caterer, drinking establishment, public venue or  
11 temporary permit holder collecting the tax imposed hereunder shall be  
12 responsible for paying over the same to the state department of revenue in  
13 the manner prescribed by K.S.A. 79-41a03, and amendments thereto, and  
14 the state department of revenue shall administer and enforce the collection  
15 of such tax.

16 (c) *Any club or drinking establishment that serves free samples of*  
17 *alcoholic liquor shall remit the tax imposed by subsection (a) in the*  
18 *manner prescribed by K.S.A. 79-41a03, and amendments thereto, and the*  
19 *state department of revenue shall administer and enforce the payment of*  
20 *such tax.*

21 New Sec. 12. (a) Alcoholic liquor and cereal malt beverage for the  
22 sampling as provided for in K.S.A. 41-2637, 41-2640, 41-2641 and 41-  
23 2642, and amendments thereto, shall be withdrawn from the inventory of  
24 the licensee. Except as provided by subsection (b), a person other than the  
25 licensee or the licensee's agent or employee may not dispense or  
26 participate in the dispensing of alcoholic beverages under this section.

27 (b) The holder of a supplier's permit or such permit holder's agent or  
28 employee may participate in and conduct product tastings of alcoholic  
29 beverages at a licensee's premises, monitored and regulated by the division  
30 of alcoholic beverage control, and may open, touch or pour alcoholic  
31 beverages, make a presentation or answer questions at the tasting. Any  
32 alcoholic beverage or cereal malt beverages sampled under this subsection  
33 must be purchased from the licensee on whose premises the sampling is  
34 held. The licensee may not require the purchase of more alcoholic  
35 beverages or cereal malt beverage than is necessary for the tasting. This  
36 section does not authorize the supplier or its agent to withdraw or purchase  
37 an alcoholic beverage or cereal malt beverage from the holder of a  
38 distributor's license or provide an alcoholic beverage or cereal malt  
39 beverage for sampling on the licensee's premises that is not purchased  
40 from the licensee.

41 New Sec. 13. Each licensee licensed under this act who provides  
42 samples shall pay the drink tax imposed by K.S.A. 79-41a01 et seq., and  
43 amendments thereto, on the alcoholic liquor and cereal malt beverage

1 inventory when the inventory is withdrawn from the licensee's stock based  
2 on the licensee's acquisition cost.

3 New Sec. 14. (a) Notwithstanding the provisions of either the Kansas  
4 administrative procedure act, and amendments thereto, or any rule and  
5 regulation adopted pursuant to the Kansas liquor control act, and  
6 amendments thereto, governing the issuance of any written administrative  
7 notice or order concerning the imposition of any proposed civil fine or  
8 other penalty to be imposed for a violation of any of the provisions of the  
9 Kansas liquor control act, K.S.A. 41-101 et seq., and amendments thereto,  
10 such notice or order shall be issued no later than 90 days after the date a  
11 citation for such violation was issued.

12 (b) This section shall be part of and supplemental to the provisions of  
13 the Kansas liquor control act, K.S.A. 41-101 et seq., and amendments  
14 thereto.

15 New Sec. 15. (a) Notwithstanding the provisions of either the Kansas  
16 administrative procedure act, and amendments thereto, or any rule and  
17 regulation adopted pursuant to the club and drinking establishment act, and  
18 amendments thereto, governing the issuance of any written administrative  
19 notice or order concerning the imposition of any proposed civil fine or  
20 other penalty to be imposed for a violation of any of the provisions of the  
21 club and drinking establishment act, K.S.A. 41-2601 et seq., and  
22 amendments thereto, such notice or order shall be issued no later than 90  
23 days after the date a citation for such violation was issued.

24 (b) This section shall be part of and supplemental to the provisions of  
25 the Kansas club and drinking establishment act, K.S.A. 41-2601 et seq.,  
26 and amendments thereto.

27 Sec. 16. K.S.A. 41-713 and 41-2610 and K.S.A. 2012 Supp. 41-308d,  
28 41-354, 41-2601, 41-2637, 41-2640, 41-2641, 41-2642, 41-2655 and 79-  
29 41a02 are hereby repealed.

30 Sec. 17. This act shall take effect and be in force from and after its  
31 publication in the statute book.