

CONFERENCE COMMITTEE REPORT

MR. SPEAKER and MR. PRESIDENT: Your committee on conference on Senate amendments to **HB 2059** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed with Senate Committee of the Whole amendments, as follows:

On page 1, following line 11, by inserting:

"New Section 1. (a) Notwithstanding any other provisions of state law, a food establishment, as defined in K.S.A. 65-656, and amendments thereto, that is a microbrewery as defined in K.S.A. 41-102, and amendments thereto, and is licensed as provided in K.S.A. 41-308b, and amendments thereto, may allow live dogs in outside and inside areas on the premises if the conditions specified in subsection (c) are met.

(b) Notwithstanding any other provisions of state law, a food establishment, as defined in K.S.A. 65-656, and amendments thereto, that is not a microbrewery as defined in K.S.A. 41-102, and amendments thereto, may allow live dogs in outside areas on the premises, if the conditions as specified in subsection (c) are met.

(c) The following conditions shall be met by a food establishment for dogs to be permitted on such food establishment's premises as permitted by subsections (a) and (b):

(1) The food establishment shall prepare a written plan describing the processes and procedures in place to prevent food contamination from dogs on the premises. The plan shall be posted next to the food establishment license inside the premises of the food establishment. The employees of the food establishment shall be trained on the plan, and the plan shall be made available to the Kansas department of agriculture upon request;

(2) dogs shall be under handler control. Dogs shall be well behaved and respond to their

handler's command. Dogs belonging to food establishment owners, management or employees shall not be required to be leashed. Dogs belonging to guests of the food establishment shall be leashed at all times;

(3) with respect to a food establishment that is a microbrewery, as provided by subsection (a), dogs in indoor areas shall not be permitted in food or drink preparation areas, including, but not limited to, kitchens and behind bars;

(4) dogs shall not be permitted on dining surfaces, including tables, bars or counter tops;

(5) dogs shall not be fed or watered from any food establishment equipment, including, but not limited to, plates, bowls and utensils, except for single-service items that are disposed of immediately following such use;

(6) an area outside the food establishment shall be designated for dog urination and defecation;

(7) employees shall be required to wash their hands after contact of any kind with a dog prior to handling any food, drink, utensil or food or drink production, preparation or serving equipment or the preparation or use of surfaces that may come into contact with food or drink;

(8) guests shall be advised to wash their hands after any contact with a dog; and

(9) a process for immediately sanitizing equipment or surfaces used for the production, preparation, serving or consumption of food or drink if a dog has contact with such equipment or surfaces shall be developed and followed by the food establishment. This process shall include instructions for disposing of contaminated food or drink.";

On page 7, following line 32, by inserting:

"Sec. 6. On and after July 1, 2023, K.S.A. 41-350 is hereby amended to read as follows: 41-350. (a) For the purposes of this act, the term "winery" means any maker or producer of wine

whether in this state or in any other state, who holds a valid federal basic wine manufacturing permit. The terms "director" and "secretary" ~~have the meaning ascribed to these terms~~ mean the same as defined in K.S.A. 41-102, and amendments thereto.

(b) Any winery may be authorized to make direct shipments of wine to consumers in this state upon obtaining a special order shipping license from the secretary pursuant to this act.

(1) A special order shipping license shall only be issued to a winery upon compliance with all applicable provisions of this act and the regulations promulgated pursuant to this act, and upon payment of a license fee in the amount of \$100. The license term for a special order shipping license shall commence on the date specified on the license and shall end two years after that date.

(2) A special order shipping license shall entitle the winery to ship wine upon order directly to consumers for personal or household use in this state. The purchaser shall pay the purchase price and all shipping costs directly to the permit holder. Enforcement taxes collected herein shall be paid solely on the purchase price and not on the shipping costs.

(c) No holder of a special order shipping license shall be permitted to ship in excess of 12 standard cases of wine of one brand or a combination of brands into this state to any one consumer or address per calendar year.

(d) (1) Before accepting an order from a consumer in this state, the holder of a special order shipping license shall require that the person placing the order to state affirmatively that ~~he~~ ~~or she~~ such person is 21 years of age or older and shall verify the age of such person placing the order either by the physical examination of an approved government issued form of identification or by utilizing an internet based age and identification service approved by the director of alcoholic beverage control; or the director's designee.

(2) Every shipment of wine by the holder of a special order shipping license shall be

clearly marked 'Alcoholic Beverages, Adult Signature Required' and the carrier delivering such shipment shall be responsible for obtaining the signature of an adult who is at least 21 years of age as a condition of delivery.

(e) A special order shipping license shall not authorize the shipment of any wine to any premises licensed to sell alcoholic beverages pursuant to this act or the club and drinking establishment act.

(f) The failure to comply strictly with the requirements of this act and rules and regulations promulgated pursuant to this act shall be grounds for the revocation of a special order shipping license or other disciplinary action by the director. After notice and an opportunity for hearing in accordance with the provisions of the Kansas administrative procedure act, the director may refuse to issue or renew or may revoke a shipping permit upon a finding that the permit holder has failed to comply with any provision of this section or K.S.A. 41-501 et seq., and amendments thereto, or any rules and regulations adopted pursuant to such statutes. Upon revocation of a special order shipping license for shipment of wine to a person not of legal age as required herein such winery shall not be issued any special order shipping license pursuant to this act for a period of one year from the date of revocation.

(g) The holder of a special order shipping license shall collect all gallonage taxes imposed by K.S.A. 41-501 et seq., and amendments thereto, shall on a ~~quarterly~~ monthly basis electronically remit such taxes in a manner prescribed by the secretary and shall accompany such remittance with any reports, documentation or other information as may be required by the secretary. In addition, an applicant for and a holder of a special order shipping license, as a condition of receiving and holding a valid license, shall:

(1) Collect and pay the applicable Kansas enforcement tax on each sale shipped to a consumer in Kansas imposed by K.S.A. 79-4101 et seq., and amendments thereto;

(2) accompany each remittance with such sales tax reports, documentation and other information as may be required by the director of taxation; and

(3) if the holder of the license is an out-of-state shipper, the licensee shall be deemed to have appointed the secretary of state as the resident agent and representative of the licensee to accept service of process from the secretary of revenue, the director and the courts of this state concerning enforcement of this section, K.S.A. 41-501 et seq., and amendments thereto, and any related laws and rules and regulations and to accept service of any notice or order provided for in the liquor control act.

(h) The secretary of revenue may adopt rules and regulations to implement, administer and enforce the provisions of this section.

(i) This section shall be a part of and supplemental to the Kansas liquor control act.";

On page 9, following line 31, by inserting:

"Sec. 8. K.S.A. 2022 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. 41-2911, and amendments thereto, or have been so expanded and subsequently restricted as provided by K.S.A. 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 that~~ 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 that~~ 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. 41-2911, and amendments thereto, and have not been subsequently restricted as provided in K.S.A. 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 not earlier than 9 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 that~~ 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 that~~ 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 or the business is a farm winery licensed pursuant to K.S.A. 41-316, and amendments thereto, or a producer licensed pursuant to K.S.A. 41-355, and amendments thereto.

(h) Cereal malt beverages may be sold on premises that 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.";

Also on page 9, in line 32, after "41-307" by inserting "and K.S.A. 2022 Supp. 41-2704"; in line 33, after "41-104" by inserting ", 41-350";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, after "beverages" by inserting "and food establishments"; in line 5, after the second semicolon by inserting "relating to the special order shipping of wine; requiring monthly remittance of gallonage taxes; allowing businesses to sell cereal malt beverage by the drink on Sundays without requiring that 30% of the gross receipts of such businesses be derived from the sale of food; permitting food establishments to allow dogs in outside areas on the premises and food establishments that are microbreweries to allow dogs in outside and inside areas on the premises notwithstanding certain provisions of the Kansas food code;"; in line 8, after "41-307" by inserting ", 41-350"; also in line 8, after the second "and" by inserting "K.S.A. 2022 Supp. 41-2704 and";

And your committee on conference recommends the adoption of this report.

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Conferees on part of Senate

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Conferees on part of House