

**SENATE BILL No. 332**

By Committee on Federal and State Affairs

1-25

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1 AN ACT concerning alcoholic beverages; relating to retailer's licenses  
2 under the Kansas liquor control act; amending K.S.A. 41-304 and 41-  
3 713 and K.S.A. 2011 Supp. 41-102, 41-301, 41-303, 41-310, 41-311,  
4 41-313, 41-317, 41-326 and 79-4108 and repealing the existing  
5 sections; also repealing K.S.A. 41-103, 41-308 and 41-711.

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

8 New Section 1. (a) On and after July 1, 2012, the total number of  
9 retailer's licenses issued by the director to sell alcoholic liquor shall not  
10 exceed the number of such valid licenses issued as of June 30, 2012.

11 (b) From July 1, 2012, to December 31, 2012, the director may only  
12 issue a retailer's license to sell alcoholic liquor to a qualified applicant if  
13 the issuance of such license would not cause the total number of such valid  
14 licenses issued to exceed the number determined pursuant to subsection  
15 (a).

16 (c) From January 1, 2013, to December 31, 2015, the total number of  
17 retailer's class C licenses issued by the director shall not exceed the  
18 number determined pursuant to subsection (a).

19 (d) The provisions of this section shall expire on December 31, 2015.

20 New Sec. 2. (a) On and after January 1, 2013, all retailer's licenses  
21 to sell alcoholic liquor issued by the director prior to such date shall be  
22 deemed to be retailer's class C licenses.

23 (b) A retailer's class C license shall allow the licensee to sell and offer  
24 for sale at retail and deliver in the original package, as therein prescribed,  
25 alcoholic liquor for use or consumption off of and away from the premises  
26 specified in such license.

27 (c) A retailer's class C license shall permit the sale and delivery of  
28 alcoholic liquor only on the licensed premises and shall not permit the sale  
29 of alcoholic liquor for resale in any form, except that the licensee may:

30 (1) Sell alcoholic liquor to a temporary permit holder for resale by  
31 such temporary permit holder; and

32 (2) sell and deliver alcoholic liquor to a caterer or to the licensed  
33 premises of a club or drinking establishment, if such premises are in the  
34 county where the retailer's licensed premises are located or in an adjacent  
35 county, for resale by such caterer, club or drinking establishment.

36 (d) A retailer's class C licensee may:

1 (1) Charge a delivery fee for delivery of alcoholic liquor to a caterer,  
2 club or drinking establishment pursuant to subsection (b);

3 (2) sell lottery tickets and shares to the public in accordance with the  
4 Kansas lottery act, if the licensee is selected as a lottery retailer;

5 (3) include in the sale of alcoholic liquor any goods included by the  
6 manufacturer in packaging with the alcoholic liquor, subject to the  
7 approval of the director;

8 (4) distribute to the public, without charge, consumer advertising  
9 specialities bearing advertising matter, subject to rules and regulations of  
10 the secretary limiting the form and distribution of such specialities so that  
11 they are not conditioned on or an inducement to the purchase of alcoholic  
12 liquor;

13 (5) store alcoholic liquor in refrigerators, cold storage units, ice boxes  
14 or other cooling devices, and sell such alcoholic liquor to consumers in a  
15 chilled condition; and

16 (6) sell any other good or service on the licensed premises.

17 (e) A retailer's class C license shall be subject to the provisions of  
18 K.S.A. 41-1101, and amendments thereto, prohibiting a retailer from  
19 purchasing alcoholic liquor from a distributor, who has not filed with the  
20 director a sworn statement agreeing to sell to all retailers in the  
21 distributor's franchised territory at the same unit price and prohibiting a  
22 distributor from selling alcoholic liquor to a retailer at a discount for  
23 multiple case lots. A retailer's class C license also shall be subject to the  
24 provisions of K.S.A. 41-729, and amendments thereto, prohibiting the sale  
25 of alcoholic liquor at less than the acquisition cost thereof.

26 New Sec. 3. (a) On and after January 1, 2013, any licensee holding  
27 a valid retailer's class C license may transfer such license to any person  
28 qualified to hold such license under the Kansas liquor control act. The  
29 transferee's proposed premises to be licensed shall be located in the same  
30 county as the licensed premises of the transferor.

31 (b) Any transfer of a license pursuant to this section shall be  
32 approved by the director. The director may require the transferor, the  
33 transferee, or both, to submit such information as the director deems  
34 necessary in order to determine that the license transfer satisfies the  
35 requirements of the Kansas liquor control act. Such information shall be  
36 submitted in the manner and on such forms as prescribed by the director,  
37 and may include, but shall not be limited to, such information concerning  
38 the transferee that shows such transferee is qualified to hold a retailer's  
39 class C license and a copy of the agreement to transfer the license.

40 (c) On the effective date of the transfer of a license in accordance  
41 with this section, the director shall issue a retailer's class C license to the  
42 transferee. Such license shall be issued for the premises of the transferee  
43 as stated in the transfer agreement. The term of such license shall be for

1 the remainder of the term of the license held by the transferor immediately  
2 prior to the effective date of the transfer. The director shall not require the  
3 payment of any new or additional retailer's class C license fee by the  
4 transferee. The transferee shall pay a transfer fee in the amount of \$25,  
5 which fee shall be submitted to the director at the same time the request  
6 for approval of the transfer is submitted to the director.

7 New Sec. 4. (a) On and after January 1, 2013, the director may  
8 issue to qualified applicants a retailer's class A license. A retailer's class A  
9 license shall allow the licensee to sell and offer for sale at retail and deliver  
10 in the original package, as therein prescribed, beer for use or consumption  
11 off of and away from the premises specified in such license.

12 (b) A retailer's class A license shall permit the sale and delivery of  
13 beer only on the licensed premises and shall not permit the sale of beer for  
14 resale in any form, except that the licensee may:

15 (1) Sell beer to a temporary permit holder for resale by such  
16 temporary permit holder; and

17 (2) sell and deliver beer to a caterer or to the licensed premises of a  
18 club or drinking establishment, if such premises are in the county where  
19 the retailer's licensed premises are located or in an adjacent county, for  
20 resale by such caterer, club or drinking establishment.

21 (c) A retailer's class A licensee may:

22 (1) Charge a delivery fee for delivery of beer to a caterer, club or  
23 drinking establishment pursuant to subsection (b);

24 (2) sell lottery tickets and shares to the public in accordance with the  
25 Kansas lottery act, if the licensee is selected as a lottery retailer;

26 (3) include in the sale of beer any goods included by the manufacturer  
27 in packaging with the beer, subject to the approval of the director;

28 (4) distribute to the public, without charge, consumer advertising  
29 specialities bearing advertising matter, subject to rules and regulations of  
30 the secretary limiting the form and distribution of such specialities so that  
31 they are not conditioned on or an inducement to the purchase of beer;

32 (5) store beer in refrigerators, cold storage units, ice boxes or other  
33 cooling devices, and sell such beer to consumers in a chilled condition;  
34 and

35 (6) sell any other good or service on the licensed premises.

36 (d) A retailer's class A license shall be subject to the provisions of  
37 K.S.A. 41-1101, and amendments thereto, prohibiting a retailer from  
38 purchasing alcoholic liquor from a distributor, who has not filed with the  
39 director a sworn statement agreeing to sell to all retailers in the  
40 distributor's franchised territory at the same unit price and prohibiting a  
41 distributor from selling alcoholic liquor to a retailer at a discount for  
42 multiple case lots. A retailer's class A license also shall be subject to the  
43 provisions of K.S.A. 41-729, and amendments thereto, prohibiting the sale

1 of alcoholic liquor at less than the acquisition cost thereof.

2 New Sec. 5. (a) On and after January 1, 2013, the director may issue  
3 to qualified applicants a retailer's class B license. A retailer's class B  
4 license shall allow the licensee to sell and offer for sale at retail and deliver  
5 in the original package, as therein prescribed, beer and wine for use or  
6 consumption off of and away from the premises specified in such license.

7 (b) A retailer's class B license shall permit the sale and delivery of beer  
8 and wine only on the licensed premises and shall not permit the sale of  
9 beer and wine for resale in any form, except that the licensee may:

10 (1) Sell beer and wine to a temporary permit holder for resale by such  
11 temporary permit holder; and

12 (2) sell and deliver beer and wine to a caterer or to the licensed  
13 premises of a club or drinking establishment, if such premises are in the  
14 county where the retailer's licensed premises are located or in an adjacent  
15 county, for resale by such caterer, club or drinking establishment.

16 (c) A retailer's class B licensee may:

17 (1) Charge a delivery fee for delivery of beer and wine to a caterer,  
18 club or drinking establishment pursuant to subsection (b);

19 (2) sell lottery tickets and shares to the public in accordance with the  
20 Kansas lottery act, if the licensee is selected as a lottery retailer;

21 (3) include in the sale of beer and wine any goods included by the  
22 manufacturer in packaging with the beer and wine, subject to the approval  
23 of the director;

24 (4) distribute to the public, without charge, consumer advertising  
25 specialties bearing advertising matter, subject to rules and regulations of  
26 the secretary limiting the form and distribution of such specialties so that  
27 they are not conditioned on or an inducement to the purchase of beer or  
28 wine;

29 (5) store beer and wine in refrigerators, cold storage units, ice boxes or  
30 other cooling devices, and sell such beer and wine to consumers in a  
31 chilled condition; and

32 (6) sell any other good or service on the licensed premises.

33 (d) A retailer's class B license shall be subject to the provisions of  
34 K.S.A. 41-1101, and amendments thereto, prohibiting a retailer from  
35 purchasing alcoholic liquor from a distributor, who has not filed with the  
36 director a sworn statement agreeing to sell to all retailers in the  
37 distributor's franchised territory at the same unit price and prohibiting a  
38 distributor from selling alcoholic liquor to a retailer at a discount for  
39 multiple case lots. A retailer's class B license also shall be subject to the  
40 provisions of K.S.A. 41-729, and amendments thereto, prohibiting the sale  
41 of alcoholic liquor at less than the acquisition cost thereof.

42 New Sec. 6. On and after January 1, 2016, the director may issue to  
43 qualified applicants a retailer's class C license. There shall be no limit on

1 the number of retailer's class C licenses the director may issue. A holder of  
2 a retailer's class C license shall have all the privileges granted to such  
3 licensees as set forth in section 2, and amendments thereto.

4 New Sec. 7. The provisions of sections 1 through 7, and amendments  
5 thereto, shall be a part of and supplemental to the Kansas liquor control  
6 act.

7 New Sec. 8. (a) All retailers licensed pursuant to the Kansas liquor  
8 control act shall verify the age of any purchaser of alcoholic liquor who  
9 reasonably appears to be not more than 27 years of age. Retailers shall  
10 utilize age verification technology that is consistent with nationally  
11 recognized industry standards for making such determinations.

12 (b) This section shall be part of and supplemental to the Kansas  
13 liquor control act.

14 Sec. 9. K.S.A. 2011 Supp. 41-102 is hereby amended to read as  
15 follows: 41-102. As used in this act, unless the context clearly requires  
16 otherwise:

17 (a) "Alcohol" means the product of distillation of any fermented  
18 liquid, whether rectified or diluted, whatever its origin, and includes  
19 synthetic ethyl alcohol but does not include denatured alcohol or wood  
20 alcohol.

21 (b) "Alcoholic liquor" means alcohol, spirits, wine, beer and every  
22 liquid or solid, patented or not, containing alcohol, spirits, wine or beer  
23 and capable of being consumed as a beverage by a human being, but shall  
24 not include any cereal malt beverage.

25 (c) "Beer" means a beverage, containing more than 3.2% alcohol by  
26 weight, obtained by alcoholic fermentation of an infusion or concoction of  
27 barley, or other grain, malt and hops in water and includes beer, ale, stout,  
28 lager beer, porter and similar beverages having such alcoholic content.

29 (d) "Caterer" has the meaning provided by K.S.A. 41-2601, and  
30 amendments thereto.

31 (e) "Cereal malt beverage" has the meaning provided by K.S.A. 41-  
32 2701, and amendments thereto.

33 (f) "Club" has the meaning provided by K.S.A. 41-2601, and  
34 amendments thereto.

35 (g) "Director" means the director of alcoholic beverage control of the  
36 department of revenue.

37 (h) "Distributor" means the person importing or causing to be  
38 imported into the state, or purchasing or causing to be purchased within  
39 the state, alcoholic liquor for sale or resale to retailers licensed under this  
40 act or cereal malt beverage for sale or resale to retailers licensed under  
41 K.S.A. 41-2702, and amendments thereto.

42 (i) "Domestic beer" means beer which contains not more than 10%  
43 alcohol by weight and which is manufactured in this state.

1 (j) "Domestic fortified wine" means wine which contains more than  
2 14%, but not more than 20% alcohol by volume and which is  
3 manufactured in this state.

4 (k) "Domestic table wine" means wine which contains not more than  
5 14% alcohol by volume and which is manufactured without rectification or  
6 fortification in this state.

7 (l) "Drinking establishment" has the meaning provided by K.S.A. 41-  
8 2601, and amendments thereto.

9 (m) "Farm winery" means a winery licensed by the director to  
10 manufacture, store and sell domestic table wine and domestic fortified  
11 wine.

12 (n) "Manufacture" means to distill, rectify, ferment, brew, make, mix,  
13 concoct, process, blend, bottle or fill an original package with any  
14 alcoholic liquor, beer or cereal malt beverage.

15 (o) (1) "Manufacturer" means every brewer, fermenter, distiller,  
16 rectifier, wine maker, blender, processor, bottler or person who fills or  
17 refills an original package and others engaged in brewing, fermenting,  
18 distilling, rectifying or bottling alcoholic liquor, beer or cereal malt  
19 beverage.

20 (2) "Manufacturer" does not include a microbrewery or a farm  
21 winery.

22 (p) "Microbrewery" means a brewery licensed by the director to  
23 manufacture, store and sell domestic beer.

24 (q) "Minor" means any person under 21 years of age.

25 (r) "Nonbeverage user" means any manufacturer of any of the  
26 products set forth and described in K.S.A. 41-501, and amendments  
27 thereto, when the products contain alcohol or wine, and all laboratories  
28 using alcohol for nonbeverage purposes.

29 (s) "Original package" means any bottle, flask, jug, can, cask, barrel,  
30 keg, hogshead or other receptacle or container whatsoever, used, corked or  
31 capped, sealed and labeled by the manufacturer of alcoholic liquor, to  
32 contain and to convey any alcoholic liquor. Original container does not  
33 include a sleeve.

34 (t) "Person" means any natural person, corporation, partnership, trust  
35 or association.

36 (u) "Primary American source of supply" means the manufacturer, the  
37 owner of alcoholic liquor at the time it becomes a marketable product or  
38 the manufacturer's or owner's exclusive agent who, if the alcoholic liquor  
39 cannot be secured directly from such manufacturer or owner by American  
40 wholesalers, is the source closest to such manufacturer or owner in the  
41 channel of commerce from which the product can be secured by American  
42 wholesalers.

43 (v) (1) "Retailer" means a person who sells at retail, or offers for sale

1 at retail, alcoholic liquors.

2 (2) "Retailer" does not include a microbrewery or a farm winery.

3 ~~(w)~~ (1) *"Retailer's license" means a license to sell at retail alcoholic*  
4 *liquor in the original package issued pursuant to the Kansas liquor*  
5 *control act.*

6 (2) *On and after January 1, 2013, the term "retailer's license" means*  
7 *a retailer's class A, class B or class C license, or other license to sell at*  
8 *retail alcoholic liquor in the original package, issued pursuant to the*  
9 *Kansas liquor control act.*

10 ~~(w)~~ (x) "Sale" means any transfer, exchange or barter in any manner  
11 or by any means whatsoever for a consideration and includes all sales  
12 made by any person, whether principal, proprietor, agent, servant or  
13 employee.

14 ~~(x)~~ (y) "Salesperson" means any natural person who:

15 (1) Procures or seeks to procure an order, bargain, contract or  
16 agreement for the sale of alcoholic liquor or cereal malt beverage; or

17 (2) is engaged in promoting the sale of alcoholic liquor or cereal malt  
18 beverage, or in promoting the business of any person, firm or corporation  
19 engaged in the manufacturing and selling of alcoholic liquor or cereal malt  
20 beverage, whether the seller resides within the state of Kansas and sells to  
21 licensed buyers within the state of Kansas, or whether the seller resides  
22 without the state of Kansas and sells to licensed buyers within the state of  
23 Kansas.

24 ~~(y)~~ (z) "Secretary" means the secretary of revenue.

25 ~~(z)~~ (aa) (1) "Sell at retail" and "sale at retail" refer to and mean sales  
26 for use or consumption and not for resale in any form and sales to clubs,  
27 licensed drinking establishments, licensed caterers or holders of temporary  
28 permits.

29 (2) "Sell at retail" and "sale at retail" do not refer to or mean sales by  
30 a distributor, a microbrewery, a farm winery, a licensed club, a licensed  
31 drinking establishment, a licensed caterer or a holder of a temporary  
32 permit.

33 ~~(aa)~~ (bb) "To sell" includes to solicit or receive an order for, to keep  
34 or expose for sale and to keep with intent to sell.

35 ~~(bb)~~ (cc) "Sleeve" means a package of two or more 50-milliliter (3.2-  
36 fluid-ounce) containers of spirits.

37 ~~(cc)~~ (dd) "Spirits" means any beverage which contains alcohol  
38 obtained by distillation, mixed with water or other substance in solution,  
39 and includes brandy, rum, whiskey, gin or other spirituous liquors, and  
40 such liquors when rectified, blended or otherwise mixed with alcohol or  
41 other substances.

42 ~~(dd)~~ (ee) "Supplier" means a manufacturer of alcoholic liquor or  
43 cereal malt beverage or an agent of such manufacturer, other than a

1 salesperson.

2 (ee) (ff) "Temporary permit" has the meaning provided by K.S.A. 41-  
3 2601, and amendments thereto.

4 (ff) (gg) "Wine" means any alcoholic beverage obtained by the  
5 normal alcoholic fermentation of the juice of sound, ripe grapes, fruits,  
6 berries or other agricultural products, including such beverages containing  
7 added alcohol or spirits or containing sugar added for the purpose of  
8 correcting natural deficiencies.

9 Sec. 10. On and after January 1, 2013, K.S.A. 2011 Supp. 41-301 is  
10 hereby amended to read as follows: 41-301. (a) ~~Except as provided by~~  
11 ~~subsection (b), the director shall issue to qualified applicants, who have~~  
12 ~~filed the bond and paid the registration and license fees required by this~~  
13 ~~act, licenses to sell at retail alcoholic liquor in the original package on~~  
14 ~~premises within the corporate limits of cities and outside the corporate~~  
15 ~~limits of any city.~~

16 (b) No retailer's license shall be issued for premises within a city if  
17 the governing body of such city, on or before February 15, 2006, ~~adopts~~  
18 ~~adopted~~ an ordinance prohibiting the licensing of the sale at retail of  
19 alcoholic liquor in the original package within such city. ~~Upon adoption of~~  
20 ~~such ordinance, the city clerk promptly shall transmit a copy of such~~  
21 ~~ordinance to the director and the director shall refuse to issue licenses to~~  
22 ~~sell at retail alcoholic liquor in the original package in such city. If the~~  
23 ~~governing body adopts such an ordinance, the holder of any valid existing~~  
24 ~~retailer's license for premises in such city shall have the right to continue~~  
25 ~~to operate under such license for a period of 90 days after the effective~~  
26 ~~date of the ordinance or until the expiration of such license, whichever~~  
27 ~~period of time is shorter. If such period of time expires before the~~  
28 ~~expiration of the term for which the retailer's license was issued, the~~  
29 ~~licensee shall be entitled to a refund of the license fee for the unexpired~~  
30 ~~portion of the license period which remains, in accordance with rules and~~  
31 ~~regulations adopted by the secretary.~~

32 (e) (b) No retailer's license shall be issued for premises within a city  
33 if, after November 15, 2005, a majority of the qualified voters of such city  
34 voting at an election held as provided by K.S.A. 41-302, and amendments  
35 thereto, votes against the licensing of the sale at retail of alcoholic liquor  
36 in the original package within such city unless, at a subsequent election, a  
37 majority of the qualified voters of such city voting at such election votes in  
38 favor of the licensing of the sale at retail of alcoholic liquor in the original  
39 package within such city.

40 Sec. 11. On and after January 1, 2013, K.S.A. 2011 Supp. 41-303 is  
41 hereby amended to read as follows: 41-303. (a) ~~The director may issue to~~  
42 ~~qualified applicants licenses to sell at retail alcoholic liquor in the original~~  
43 ~~package on premises not located in an incorporated city for use or~~



1 consumption off the premises. No such license shall be issued to any  
2 applicant unless the applicant possesses all the qualifications required of  
3 other applicants for retailers' licenses except the qualification of residency  
4 within a city.

5 ~~No such~~ *No retailer's* license shall be issued to any applicant under this  
6 section ~~for premises not located in an incorporated city~~ unless the board of  
7 county commissioners of the county in which the premises for which  
8 licensure is sought are located adopts a resolution approving the issuance  
9 of such license. A certified copy of such resolution shall accompany the  
10 application for a *such* license ~~authorized by this section.~~

11 (b) ~~If a license has been issued under the provisions of this section in~~  
12 ~~the unincorporated area of a county and thereafter the premises so licensed~~  
13 ~~are annexed to a city wherein retail liquor licenses may be issued, such~~  
14 ~~license shall continue to be valid and may be renewed at the appropriate~~  
15 ~~time even though the licensee does not reside in the city to which the area~~  
16 ~~is annexed if the licensee otherwise is qualified and resides in the township~~  
17 ~~in which the premises were located prior to annexation or in the city to~~  
18 ~~which the premises have been annexed.~~

19 ~~(e) Any retail~~ *Any retailer's* license issued prior to the effective date  
20 of this act for premises not located in an incorporated city shall continue to  
21 be valid and such premises shall continue to be eligible for licensure if the  
22 board of county commissioners of the county in which the premises are  
23 located has adopted a resolution approving the issuance of such license. A  
24 certified copy of such resolution shall accompany the application for a  
25 *such* license ~~authorized by this subsection.~~

26 Sec. 12. On and after January 1, 2013, K.S.A. 41-304 is hereby  
27 amended to read as follows: 41-304. Licenses issued by the director shall  
28 be of the following classes: (a) Manufacturer's license; (b) spirits  
29 distributor's license; (c) wine distributor's license; (d) beer distributor's  
30 license; (e) retailer's *class A* license; (f) *retailer's class B* license; (g)  
31 *retailer's class C* license; ~~(h)~~ (h) microbrewery license; ~~(g)~~ (i) farm winery  
32 license; and ~~(h)~~ (j) nonbeverage user's license.

33 Sec. 13. K.S.A. 2011 Supp. 41-310 is hereby amended to read as  
34 follows: 41-310. (a) At the time application is made to the director for a  
35 license of any class, the applicant shall pay the fee provided by this  
36 section.

37 (b) The fee for a manufacturer's license to manufacture alcohol and  
38 spirits shall be \$5,000.

39 (c) The fee for a manufacturer's license to manufacture beer and  
40 cereal malt beverage shall be:

- 41 (1) For 1 to 100 barrel daily capacity or any part thereof, \$400.
- 42 (2) For 100 to 150 barrel daily capacity, \$800.
- 43 (3) For 150 to 200 barrel daily capacity, \$1,400.

- 1 (4) For 200 to 300 barrel daily capacity, \$2,000.
- 2 (5) For 300 to 400 barrel daily capacity, \$2,600.
- 3 (6) For 400 to 500 barrel daily capacity, \$2,800.
- 4 (7) For 500 or more barrel daily capacity, \$3,200.

5 As used in this subsection, "daily capacity" means the average daily  
6 barrel production for the previous 12 months of manufacturing operation.  
7 If no basis for comparison exists, the licensee shall pay in advance for  
8 operation during the first term of the license a fee of \$2,000.

9 (d) The fee for a manufacturer's license to manufacture wine shall be  
10 \$1,000.

11 (e) (1) The fee for a microbrewery license or a farm winery license  
12 shall be \$500.

13 (2) The fee for a winery outlet license shall be \$100.

14 (3) The fee for a microbrewery packaging and warehousing facility  
15 license shall be \$200.

16 (f) The fee for a spirits distributor's license for the first and each  
17 additional distributing place of business operated in this state by the  
18 licensee and wholesaling and jobbing spirits shall be \$2,000.

19 (g) The fee for a wine distributor's license for the first and each  
20 additional distributing place of business operated in this state by the  
21 licensee and wholesaling and jobbing wine shall be \$2,000.

22 (h) The fee for a beer distributor's license, for the first and each  
23 additional wholesale distributing place of business operated in this state by  
24 the licensee and wholesaling or jobbing beer and cereal malt beverage  
25 shall be \$2,000.

26 (i) The fee for a nonbeverage user's license shall be:

27 (1) For class 1, \$20.

28 (2) For class 2, \$100.

29 (3) For class 3, \$200.

30 (4) For class 4, \$400.

31 (5) For class 5, \$1,000.

32 (j) In addition to the license fees prescribed by subsections (b), (c),  
33 (d), (f), (g), (h) and (i):

34 (1) Any city in which the licensed premises are located may levy and  
35 collect a biennial occupation or license tax on the licensee in an amount  
36 not exceeding the amount of the license fee required to be paid under this  
37 act to obtain the license, but no city shall impose an occupation or  
38 privilege tax on the licensee in excess of that amount; and

39 (2) any township in which the licensed premises are located may levy  
40 and collect a biennial occupation or license tax on the licensee in an  
41 amount not exceeding the amount of the license fee required to be paid  
42 under this act to obtain the license, but no township shall impose an  
43 occupation or privilege tax on the licensee in excess of that amount; the

1 township board of the township is authorized to fix and impose the tax and  
2 the tax shall be paid by the licensee to the township treasurer, who shall  
3 issue a receipt therefor to the licensee and shall cause the tax paid to be  
4 placed in the general fund of the township.

5 (k) (1) *Except as provided in paragraph (2), the fee for a retailer's*  
6 *license shall be \$500.*

7 (2) *On and after January 1, 2013, the fee for a retailer's license shall*  
8 *be:*

9 (A) *For class A, \$100.*

10 (B) *For class B, \$300.*

11 (C) *For class C, \$500.*

12 (l) In addition to the license fee prescribed by subsection (k):

13 (1) Any city in which the licensed premises are located may levy and  
14 collect a biennial occupation or license tax on the licensee in an amount  
15 not less than \$200 nor more than \$600, but no other occupation or excise  
16 tax or license fee shall be levied by any city against or collected from the  
17 licensee; and

18 (2) any township in which the licensed premises are located may levy  
19 and collect a biennial occupation or license tax on the licensee in an  
20 amount not less than \$200 nor more than \$600; the township board of the  
21 township is authorized to fix and impose the tax and the tax shall be paid  
22 by the licensee to the township treasurer, who shall issue a receipt therefor  
23 to the licensee and shall cause the tax paid to be placed in the general fund  
24 of the township.

25 (m) The license term for a license shall commence on the date the  
26 license is issued by the director and shall end two years after that date. The  
27 director may, at the director's sole discretion and after examination of the  
28 circumstances, extend the license term of any license for not more than 30  
29 days beyond the date such license would expire pursuant to this section.  
30 Any extension of the license term by the director pursuant to this section  
31 shall automatically extend the due date for payment by the licensee of any  
32 occupation or license tax levied by a city or township pursuant to this  
33 section by the same number of days the director has extended the license  
34 term.

35 Sec. 14. K.S.A. 2011 Supp. 41-311 is hereby amended to read as  
36 follows: 41-311. (a) No license of any kind shall be issued pursuant to the  
37 liquor control act to ~~a person~~ *an individual*:

38 (1) Who has not been a citizen of the United States for at least 10  
39 years, except that the spouse of a deceased retail licensee may receive and  
40 renew a retail license notwithstanding the provisions of this subsection (a)  
41 (1) if such spouse is otherwise qualified to hold a retail license and is a  
42 United States citizen or becomes a United States citizen within one year  
43 after the deceased licensee's death;

1 (2) who has been convicted of a felony under the laws of this state,  
2 any other state or the United States;

3 (3) who has had a license revoked for cause under the provisions of  
4 the liquor control act, the beer and cereal malt beverage keg registration  
5 act or who has had any license issued under the cereal malt beverage laws  
6 of any state revoked for cause except that a license may be issued to a  
7 person whose license was revoked for the conviction of a misdemeanor or  
8 any time after the lapse of 10 years following the date of the revocation;

9 (4) who has been convicted of being the keeper or is keeping a house  
10 of prostitution or has forfeited bond to appear in court to answer charges of  
11 being a keeper of a house of prostitution;

12 (5) who has been convicted of being a proprietor of a gambling  
13 house, pandering or any other crime opposed to decency and morality or  
14 has forfeited bond to appear in court to answer charges for any of those  
15 crimes;

16 (6) who is not at least 21 years of age;

17 (7) who, other than as a member of the governing body of a city or  
18 county, appoints or supervises any law enforcement officer, who is a law  
19 enforcement official or who is an employee of the director;

20 (8) who intends to carry on the business authorized by the license as  
21 agent of another;

22 (9) who at the time of application for renewal of any license issued  
23 under this act would not be eligible for the license upon a first application,  
24 except as provided by subsection (a)(12);

25 (10) who is the holder of a valid and existing license issued under  
26 article 27 of chapter 41 of the Kansas Statutes Annotated unless the person  
27 agrees to and does surrender the license to the officer issuing the same  
28 upon the issuance to the person of a license under this act, except that a  
29 retailer licensed pursuant to K.S.A. 41-2702, and amendments thereto,  
30 shall be eligible to receive a retailer's license under the Kansas liquor  
31 control act;

32 (11) who does not own the premises for which a license is sought, or  
33 does not, at the time of application, have a written lease thereon;

34 (12) whose spouse would be ineligible to receive a license under this  
35 act for any reason other than citizenship, residence requirements or age,  
36 except that this subsection (a)(12) shall not apply in determining eligibility  
37 for a renewal license;

38 (13) whose spouse has been convicted of a felony or other crime  
39 which would disqualify a person from licensure under this section and  
40 such felony or other crime was committed during the time that the spouse  
41 held a license under this act; or

42 (14) who does not provide any data or information required by  
43 K.S.A. 2011 Supp. 41-311b, and amendments thereto.

1 (b) (1) *Except as provided in paragraph (2), no retailer's license shall*  
 2 *be issued to:*

3 ~~(1)~~ (A) A person who is not a resident of this state;

4 ~~(2)~~ (B) a person who has not been a resident of this state for at least  
 5 four years immediately preceding the date of application;

6 ~~(3)~~ (C) a person who has a beneficial interest in a manufacturer,  
 7 distributor, farm winery or microbrewery licensed under this act, except  
 8 that the spouse of an applicant for a retailer's license may own and hold a  
 9 farm winery license, microbrewery license, or both, if the spouse does not  
 10 hold a retailer's license issued under this act;

11 ~~(4)~~ (D) a person who has a beneficial interest in any other retail  
 12 establishment licensed under this act, except that the spouse of a licensee  
 13 may own and hold a retailer's license for another retail establishment;

14 ~~(5)~~ (E) a copartnership, unless all of the copartners are qualified to  
 15 obtain a license;

16 ~~(6)~~ (F) a corporation; or

17 ~~(7)~~ (G) a trust, if any grantor, beneficiary or trustee would be  
 18 ineligible to receive a license under this act for any reason, except that the  
 19 provisions of subsection (a)(6) shall not apply in determining whether a  
 20 beneficiary would be eligible for a license.

21 (2) *On and after January 1, 2013, the provisions of paragraph (1)*  
 22 *shall have no force and effect, and on and after such date, no retailer's*  
 23 *license shall be issued:*

24 (A) *To a person who has a beneficial interest in a manufacturer,*  
 25 *distributor, farm winery or microbrewery licensed under this act, except*  
 26 *that the spouse of an applicant for a retailer's license may own and hold a*  
 27 *farm winery license, microbrewery license, or both, if the spouse does not*  
 28 *hold a retailer's license issued under this act;*

29 (B) *to a corporation, if any officer, director or manager of the*  
 30 *licensed premises, or any stockholder owning in the aggregate more than*  
 31 *25% of the stock of the corporation would be ineligible to receive a*  
 32 *retailer's license for any reason specified in subsection (a) other than*  
 33 *citizenship requirements;*

34 (C) *to a person who is not engaged in business as a liquor store, a*  
 35 *convenience store or a grocery store. As used in this subsection:*

36 (i) *"Liquor store" means a store whose primary business is the retail*  
 37 *sale of alcoholic liquor in the original and unopened container and not for*  
 38 *consumption on the premises, and includes stores classified under the*  
 39 *North American industry classification system (NAICS) as NAICS 445310*  
 40 *on the effective date of this act;*

41 (ii) *"convenience store" means a retail business with primary*  
 42 *emphasis placed on providing the public a convenient location to quickly*  
 43 *purchase from a wide array of consumable products (predominantly food*

1 or food and gasoline) and services, and includes stores classified under  
2 the NAICS as NAICS 44512, 445120 or 447110 on the effective date of this  
3 act; and

4 (iii) "grocery store" means an establishment primarily engaged in  
5 retailing a general line of groceries, including, but not limited to,  
6 packaged food, fresh and frozen food, prepared foods and other  
7 consumable products, and includes establishments primarily engaged in  
8 retailing a general line of groceries in combination with general lines of  
9 new merchandise, including, but not limited to, establishments classified  
10 under the NAICS as NAICS 445110, 452910, 452111, 452112 or 446110  
11 on the effective date of this act.

12 (c) No manufacturer's license shall be issued to:

13 (1) A corporation, if any officer or director thereof, or any  
14 stockholder owning in the aggregate more than 25% of the stock of the  
15 corporation would be ineligible to receive a manufacturer's license for any  
16 reason other than citizenship and residence requirements;

17 (2) a copartnership, unless all of the copartners shall have been  
18 residents of this state for at least five years immediately preceding the date  
19 of application and unless all the members of the copartnership would be  
20 eligible to receive a manufacturer's license under this act;

21 (3) a trust, if any grantor, beneficiary or trustee would be ineligible to  
22 receive a license under this act for any reason, except that the provisions of  
23 subsection (a)(6) shall not apply in determining whether a beneficiary  
24 would be eligible for a license;

25 (4) an individual who is not a resident of this state;

26 (5) an individual who has not been a resident of this state for at least  
27 five years immediately preceding the date of application; or

28 (6) a person who has a beneficial interest in a distributor, retailer,  
29 farm winery or microbrewery licensed under this act, except as provided in  
30 K.S.A. 41-305, and amendments thereto.

31 (d) No distributor's license shall be issued to:

32 (1) A corporation, if any officer, director or stockholder of the  
33 corporation would be ineligible to receive a distributor's license for any  
34 reason. It shall be unlawful for any stockholder of a corporation licensed  
35 as a distributor to transfer any stock in the corporation to any person who  
36 would be ineligible to receive a distributor's license for any reason, and  
37 any such transfer shall be null and void, except that: (A) If any stockholder  
38 owning stock in the corporation dies and an heir or devisee to whom stock  
39 of the corporation descends by descent and distribution or by will is  
40 ineligible to receive a distributor's license, the legal representatives of the  
41 deceased stockholder's estate and the ineligible heir or devisee shall have  
42 14 months from the date of the death of the stockholder within which to  
43 sell the stock to a person eligible to receive a distributor's license, any such

1 sale by a legal representative to be made in accordance with the provisions  
2 of the probate code; or (B) if the stock in any such corporation is the  
3 subject of any trust and any trustee or beneficiary of the trust who is 21  
4 years of age or older is ineligible to receive a distributor's license, the  
5 trustee, within 14 months after the effective date of the trust, shall sell the  
6 stock to a person eligible to receive a distributor's license and hold and  
7 disburse the proceeds in accordance with the terms of the trust. If any legal  
8 representatives, heirs, devisees or trustees fail, refuse or neglect to sell any  
9 stock as required by this subsection, the stock shall revert to and become  
10 the property of the corporation, and the corporation shall pay to the legal  
11 representatives, heirs, devisees or trustees the book value of the stock.  
12 During the period of 14 months prescribed by this subsection, the  
13 corporation shall not be denied a distributor's license or have its  
14 distributor's license revoked if the corporation meets all of the other  
15 requirements necessary to have a distributor's license;

16 (2) a copartnership, unless all of the copartners are eligible to receive  
17 a distributor's license;

18 (3) a trust, if any grantor, beneficiary or trustee would be ineligible to  
19 receive a license under this act for any reason, except that the provisions of  
20 subsection (a)(6) shall not apply in determining whether a beneficiary  
21 would be eligible for a license; or

22 (4) a person who has a beneficial interest in a manufacturer, retailer,  
23 farm winery or microbrewery licensed under this act.

24 (e) No nonbeverage user's license shall be issued to a corporation, if  
25 any officer, manager or director of the corporation or any stockholder  
26 owning in the aggregate more than 25% of the stock of the corporation  
27 would be ineligible to receive a nonbeverage user's license for any reason  
28 other than citizenship and residence requirements.

29 (f) No microbrewery license or farm winery license shall be issued to  
30 a:

31 (1) Person who is not a resident of this state;

32 (2) person who has not been a resident of this state for at least one  
33 year immediately preceding the date of application;

34 (3) person who has a beneficial interest in a manufacturer or  
35 distributor licensed under this act, except as provided in K.S.A. 41-305,  
36 and amendments thereto;

37 (4) person, copartnership or association which has a beneficial  
38 interest in any retailer licensed under this act or under K.S.A. 41-2702, and  
39 amendments thereto, except that the spouse of an applicant for a  
40 microbrewery or farm winery license may own and hold a retailer's license  
41 if the spouse does not hold a microbrewery or farm winery license issued  
42 under this act;

43 (5) copartnership, unless all of the copartners are qualified to obtain a

1 license;

2 (6) corporation, unless stockholders owning in the aggregate 50% or  
3 more of the stock of the corporation would be eligible to receive such  
4 license and all other stockholders would be eligible to receive such license  
5 except for reason of citizenship or residency; or

6 (7) a trust, if any grantor, beneficiary or trustee would be ineligible to  
7 receive a license under this act for any reason, except that the provisions of  
8 subsection (a)(6) shall not apply in determining whether a beneficiary  
9 would be eligible for a license.

10 (g) The provisions of subsections ~~(b)(1), (b)(2), (b)(1)(A), (b)(1)(B),~~  
11 (c)(3), (c)(4), (d)(3), (f)(1), (f)(2) and K.S.A. 2011 Supp. 41-311b, and  
12 amendments thereto, shall not apply in determining eligibility for the 10<sup>th</sup>,  
13 or a subsequent, consecutive renewal of a license if the applicant has  
14 appointed a citizen of the United States who is a resident of Kansas as the  
15 applicant's agent and filed with the director a duly authenticated copy of a  
16 duly executed power of attorney, authorizing the agent to accept service of  
17 process from the director and the courts of this state and to exercise full  
18 authority, control and responsibility for the conduct of all business and  
19 transactions within the state relative to alcoholic liquor and the business  
20 licensed. The agent must be satisfactory to and approved by the director,  
21 except that the director shall not approve as an agent any person who:

22 (1) Has been convicted of a felony under the laws of this state, any  
23 other state or the United States;

24 (2) has had a license issued under the alcoholic liquor or cereal malt  
25 beverage laws of this or any other state revoked for cause, except that a  
26 person may be appointed as an agent if the person's license was revoked  
27 for the conviction of a misdemeanor and 10 years have lapsed since the  
28 date of the revocation;

29 (3) has been convicted of being the keeper or is keeping a house of  
30 prostitution or has forfeited bond to appear in court to answer charges of  
31 being a keeper of a house of prostitution;

32 (4) has been convicted of being a proprietor of a gambling house,  
33 pandering or any other crime opposed to decency and morality or has  
34 forfeited bond to appear in court to answer charges for any of those  
35 crimes; or

36 (5) is less than 21 years of age.

37 Sec. 15. On and after January 1, 2013, K.S.A. 2011 Supp. 41-313 is  
38 hereby amended to read as follows: 41-313. (a) No corporation, either  
39 organized under the laws of this state, any other state or a foreign country,  
40 shall be issued a *retailer's*, manufacturer's, distributor's, microbrewery or  
41 farm winery license unless the corporation has first ~~procured a certificate~~  
42 ~~of authority from~~ *filed a formation document with* the secretary of state to  
43 do business in this state as provided by law, appointed a citizen of the



1 United States, and resident of Kansas, as its *resident* agent and filed with  
2 the director a duly authenticated copy of a duly executed power of  
3 attorney, authorizing the agent to accept service of process from the  
4 director and the courts of this state and to exercise full authority of the  
5 corporation and full authority, control and responsibility for the conduct of  
6 all business and transactions of the corporation within the state relative to  
7 alcoholic liquor and the business licensed. ~~The agent must be satisfactory~~  
8 ~~to and approved by the director with respect to the agent's character.~~ The  
9 agent shall at all times be maintained by the corporation.

10 In addition, any corporation organized under the laws of any other state  
11 or foreign country, as a condition precedent to the issuance to it of any  
12 license, shall file with the secretary of state of the state of Kansas, a duly  
13 authorized and executed power of attorney, authorizing the secretary of  
14 state to accept service of process from the director and the courts of this  
15 state and to accept service of any notice or order provided for in this act,  
16 and all such acts by the secretary of state shall be fully binding upon the  
17 corporation.

18 (b) Every nonresident applicant on applying for a license or permit  
19 under this act, and as a condition precedent to obtaining such license or  
20 permit, shall file with the secretary of state of this state its written consent,  
21 irrevocable, that any action or garnishment proceeding may be  
22 commenced against such applicant in the proper court of any county in this  
23 state in which the cause of action shall arise or in which the plaintiff may  
24 reside by the service of process on the resident agent specified in  
25 subsection (a), and stipulating and agreeing that such service shall be taken  
26 and held in all courts to be as valid and binding as if due service had been  
27 made upon the applicant. The written consent shall state that the courts of  
28 this state have jurisdiction over the person of such applicant and are the  
29 proper and convenient forum for such action and shall waive the right to  
30 request a change of jurisdiction or venue to a court outside this state and  
31 that all actions arising under this act and commenced by the applicant shall  
32 be brought in this state's courts as the proper and convenient forum. Such  
33 consent shall be executed by the applicant and if a corporation, by the  
34 president and secretary of the corporate applicant, and shall be  
35 accompanied by a duly certified copy of the order or resolution of the  
36 board of directors, trustees or managers authorizing the president and  
37 secretary to execute the same.

38 Sec. 16. K.S.A. 2011 Supp. 41-317 is hereby amended to read as  
39 follows: 41-317. (a) Applications for all licenses under this act shall be  
40 completed and submitted to the director in a manner prescribed by the  
41 director. Each applicant shall submit an application fee of \$50 for each  
42 initial application and \$10 for each renewal application to defray the cost  
43 of processing the application.

1 (b) Each applicant shall submit to the division of alcoholic beverage  
2 control the full amount of the application fee and:

3 (1) The full amount of the license fee required to be paid for the kind  
4 of license specified in the application; or

5 (2) one-half of the full amount of the license fee required to be paid  
6 for the kind of license specified in the application.

7 (c) If the applicant elects to pay only one-half of the license fee  
8 pursuant to subsection (b)(2), the remaining one-half of the license fee  
9 plus 10% of such remaining balance shall be due and payable one year  
10 from the date of issuance of the license. Notwithstanding any other  
11 provision of law, failure to pay the full amount due under this paragraph  
12 on the date it is due shall result in the automatic cancellation of such  
13 license for the remainder of the license term. The director may, at the  
14 director's sole discretion and after examination of the circumstances,  
15 extend the date payment is due pursuant to this paragraph for not more  
16 than 30 days beyond the date such payment is originally due.

17 (d) Any license fee paid by an applicant shall be returned to the  
18 applicant if the application is denied.

19 (e) Payment of all fees required to be paid pursuant to this section  
20 may be made by personal, certified or cashier's check, United States post  
21 office money order, debit or credit card or cash, or by electronic payment  
22 authorized by the applicant in a manner prescribed by the director.

23 (f) All fees received by the director pursuant to this section shall be  
24 remitted by the director to the state treasurer in accordance with the  
25 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
26 each such remittance, the state treasurer shall deposit the entire amount in  
27 the state treasury to the credit of the state general fund.

28 (g) Every applicant for a manufacturer's, distributor's, nonbeverage  
29 user's, microbrewery, farm winery, retailer's or special order shipping  
30 license shall file with the application a joint and several bond on a form  
31 prescribed by the director and executed by good and sufficient corporate  
32 sureties licensed to do business within the state of Kansas to the director,  
33 in the following amounts:

34 (1) For a manufacturer, \$25,000;

35 (2) for a spirits distributor, \$15,000 or an amount equal to the highest  
36 monthly liability of the distributor for taxes imposed by the Kansas liquor  
37 control act for any of the 12 months immediately prior to renewal of the  
38 distributor's license, whichever amount is greater;

39 (3) for a beer or wine distributor, \$5,000 or an amount equal to the  
40 highest monthly liability of the distributor for taxes imposed by the Kansas  
41 liquor control act for any of the 12 months immediately prior to renewal of  
42 the distributor's license, whichever amount is greater;

43 (4) (A) *except as provided in subparagraph (B)*, for a retailer, \$2,000;

1 (B) on and after January 1, 2013, for a retailer, \$500 for a class A,  
2 \$1,000 for a class B and \$2,000 for a class C;

3 (5) for nonbeverage users, \$200 for class 1, \$500 for class 2, \$1,000  
4 for class 3, \$5,000 for class 4 and \$10,000 for class 5;

5 (6) for a microbrewery or a farm winery, \$2,000; and

6 (7) for a winery holding a special order shipping license, \$750, unless  
7 the winery has already complied with subsection (g)(6).

8 If a distributor holds or applies for more than one distributor's license,  
9 only one bond for all such licenses shall be required, which bond shall be  
10 in an amount equal to the highest applicable bond.

11 (h) All bonds required by this section shall be conditioned on the  
12 licensee's compliance with the provisions of this act and payment of all  
13 taxes, fees, fines and forfeitures which may be assessed against the  
14 licensee.

15 Sec. 17. K.S.A. 2011 Supp. 41-326 is hereby amended to read as  
16 follows: 41-326. *Except as otherwise provided*, a license shall be purely a  
17 personal privilege, valid for not to exceed two years after issuance, ~~except~~  
18 ~~as otherwise provided by law~~, unless sooner suspended or revoked, and  
19 shall not constitute property, nor shall it be subject to attachment,  
20 garnishment or execution, nor shall it be alienable or transferable,  
21 voluntarily or involuntarily, or subject to being encumbered or  
22 hypothecated. A license shall not descend by the laws of testate or intestate  
23 devolution but shall cease and expire upon the death of the licensee except  
24 that executors, administrators or representatives of the estate of any  
25 deceased licensee and the trustee of any insolvent or bankrupt licensee,  
26 when such estate consists in part of alcoholic liquor, may continue the  
27 business of the sale, distribution or manufacture of alcoholic liquor under  
28 order of the appropriate court and may exercise the privilege of the  
29 deceased, insolvent or bankrupt licensee after the death of such decedent,  
30 or after such insolvency or bankruptcy, until the expiration of such license  
31 but not longer than one year after the death, bankruptcy or insolvency of  
32 such licensee.

33 When the licensee pays the full amount of the license fee upon  
34 application and is prevented from operating under such license in  
35 accordance with the provisions of this act for the entire second year of the  
36 license term, a refund shall be made of one-half of the license fee paid by  
37 such licensee. The secretary of revenue may adopt rules and regulations  
38 pursuant to K.S.A. 41-210, and amendments thereto, which provide for the  
39 authorization of refunds of one-half of the license fee paid when the  
40 licensee does not use such license for the entire second year of the license  
41 term as a result of the cancellation of the license upon the request of the  
42 licensee for voluntary reasons.

43 Sec. 18. K.S.A. 41-713 is hereby amended to read as follows: 41-713.

1 It shall be unlawful for a retailer of alcoholic liquor: (1) To permit any  
2 person to mix drinks in or on the licensed premises; (2) to ~~employ any~~  
3 ~~person under the age of twenty-one (21) years in connection with the~~  
4 ~~operation of such retail establishment~~ *authorize or allow any person under*  
5 *the age of 18 years to sell at retail any alcoholic liquor at the point of sale;*  
6 or (3) to ~~employ any person in connection with the operation of such retail~~  
7 ~~establishment~~ *authorize or allow any person* who has been adjudged guilty  
8 of a felony *to sell at retail any alcoholic liquor at the point of sale.*

9 Sec. 19. K.S.A. 2011 Supp. 79-4108 is hereby amended to read as  
10 follows: 79-4108. All revenue collected or received by the director of  
11 taxation from taxes imposed by K.S.A. 79-4101 to 79-4105, and  
12 amendments thereto, shall be remitted to the state treasurer in accordance  
13 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
14 receipt of each such remittance, the state treasurer shall deposit the entire  
15 amount in the state treasury to the credit of the state general fund, *except*  
16 *that 3% of the revenue remitted to the state treasurer during the prior*  
17 *calendar year quarter and deposited in the state treasury shall be credited*  
18 *to the local cereal malt beverage sales tax fund, which is hereby created in*  
19 *the state treasury. Moneys credited to the local cereal malt beverage sales*  
20 *tax fund shall be distributed quarterly as part of the January, April, July*  
21 *and October sales tax distribution to each city and county which levied a*  
22 *local retailers' sales tax. The amount to be distributed to each city and*  
23 *county shall be determined by the department of revenue based on a*  
24 *weighted population average. The weighted population average shall be*  
25 *computed by multiplying the total tax rate in effect for the city or county*  
26 *by the population of such city or county. The weighted population average*  
27 *for each city and county shall then be divided by the total Kansas*  
28 *population. The resulting quotient is the percentage of distribution for*  
29 *such city or county. The population data shall be updated annually with*  
30 *the issuance of the certified population data through the division of the*  
31 *budget. The state treasurer shall transfer any moneys remaining in the*  
32 *county and city alcoholic liquor control enforcement fund on the effective*  
33 *date of this act to the state general fund.*

34 Sec. 20. K.S.A. 2011 Supp. 41-102, 41-310, 41-311, 41-317, 41-326  
35 and 79-4108 are hereby repealed.

36 Sec. 21. On January 1, 2013, K.S.A. 41-103, 41-304, 41-308, 41-711  
37 and 41-713 and K.S.A. 2011 Supp. 41-301, 41-303, 41-313 are hereby  
38 repealed.

39 Sec. 22. This act shall take effect and be in force from and after its  
40 publication in the statute book.