## As Amended by Senate Committee

Session of 2012

## SENATE BILL No. 390

By Committee on Agriculture

## 2-7

AN ACT concerning farm wineries; relating to farm winery license;
 authority of licensee; amending K.S.A. 2011 Supp. 41-308a and
 repealing the existing section.

5 *Be it enacted by the Legislature of the State of Kansas:* 

6 Section 1. K.S.A. 2011 Supp. 41-308a is hereby amended to read as 7 follows: 41-308a. (a) A farm winery license shall allow:

8 (1) The manufacture of domestic table wine and domestic fortified 9 wine in a quantity not exceeding 100,000 gallons per year and the storage 10 thereof;

(2) the sale of wine, manufactured by the licensee, to licensed wine
 distributors, retailers, clubs, drinking establishments, holders of temporary
 permits as authorized by K.S.A. 41-2645, and amendments thereto, and
 caterers;

(3) the sale, on the licensed premises and at special events monitored
and regulated by the division of alcoholic beverage control in the original
unopened container to consumers for consumption off the licensed
premises, of wine manufactured by the licensee;

(4) the serving free of charge on the licensed premises and at special
events, monitored and regulated by the division of alcoholic beverage
control, of samples of wine manufactured by the licensee or imported
under subsection (f), if the *licensed* premises are located in a county where
the sale of alcoholic liquor is permitted by law in licensed drinking
establishments;

(5) if the licensee manufactured the wine, the sale of wine
manufactured by the licensee for consumption on the licensed premises, if
provided, the licensed premises are located in a county where the sale of
alcoholic liquor is permitted by law in licensed drinking establishments.
Wine sold pursuant to this paragraph shall not be subject to the
provisions of the club and drinking establishment act, K.S.A. 41-2601 et
seq., and amendments thereto, and no drinking establishment license

32 shall be required to make such sales;

(5) (6) if the licensee is also licensed as a club or drinking
 establishment, the sale of domestic wine, domestic fortified wine and other

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alcoholic liquor for consumption on the licensed premises as authorized by
 the club and drinking establishment act;

3 (6) (7) if the licensee is also licensed as a caterer, the sale of domestic 4 wine, domestic fortified wine and other alcoholic liquor for consumption 5 on the unlicensed premises as authorized by the club and drinking 6 establishment act;

7 (7) (8) the sale and shipping, in the original unopened container, to
8 consumers outside this state of wine manufactured by the licensee,
9 provided that the licensee complies with applicable laws and rules and
10 regulations of the jurisdiction to which the wine is shipped; and

(8) (9) the sale and shipping of wine within this state pursuant to a
 permit issued pursuant to K.S.A. 2011 Supp. 41-350, and amendments
 thereto.

(b) Upon application and payment of the fee prescribed by K.S.A. 41310, and amendments thereto, by a farm winery licensee, the director may
issue not to exceed three winery outlet licenses to the farm winery
licensee. A winery outlet license shall allow:

(1) The sale, on the licensed premises and at special events
 monitored and regulated by the division of alcoholic beverage control in
 the original unopened container to consumers for consumption off the
 licensed premises, of wine manufactured by the licensee;

(2) the serving on the licensed premises of samples of wine
manufactured by the licensee or imported under subsection (f), if the
premises are located in a county where the sale of alcoholic liquor is
permitted by law in licensed drinking establishments; and

(3) the manufacture of domestic table wine and domestic fortified
wine and the storage thereof; provided, that the aggregate quantity of wine
produced by the farm winery licensee, including all winery outlets, shall
not exceed 100,000 gallons per year.

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

(d) A farm winery or winery outlet may sell domestic wine and
domestic fortified wine in the original unopened container to consumers
for consumption off the licensed premises at any time between 6 a.m. and
12 midnight on any day except Sunday and between 12 noon and 6 p.m.
on Sunday. If authorized by subsection (a), a farm winery may serve
samples of domestic wine, domestic fortified wine and wine manufactured
by the licensee and wine imported under subsection (e) and serve and sell

1 domestic wine, domestic fortified wine and other alcoholic liquor for 2 consumption on the licensed premises at any time when a club or drinking 3 establishment is authorized to serve and sell alcoholic liquor. If authorized 4 by subsection (b), a winery outlet may serve samples of domestic wine, 5 domestic fortified wine and wine imported under subsection (e) at any 6 time when the winery outlet is authorized to sell domestic wine and 7 domestic fortified wine.

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

(f) A farm winery license or winery outlet license shall apply only to
 the premises described in the application and in the license issued and only
 one location shall be described in the license.

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(g) No farm winery or winery outlet shall:

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

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

(3) employ any person under 21 years of age in connection withmixing or dispensing alcoholic liquor; or

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

(h) Whenever a farm winery or winery outlet licensee is convicted of
a violation of the Kansas liquor control act, the director may revoke the
licensee's license and order forfeiture of all fees paid for the license, after a
hearing before the director for that purpose in accordance with the
provisions of the Kansas administrative procedure act.

(i) This section shall be part of and supplemental to the Kansas liquorcontrol act.

Sec. 2. K.S.A. 2011 Supp. 41-308a is hereby repealed.

41 Sec. 3. This act shall take effect and be in force from and after its 42 publication in the statute book {*Kansas register*}.