

HOUSE BILL No. 2566

By Committee on Federal and State Affairs

1-27

1 AN ACT concerning alcoholic beverages; relating to winery licensure;
2 creating a microwinery license; requiring farm winery licensees to
3 engage in farm-related activities; amending K.S.A. 41-102, 41-304, 41-
4 305, 41-308a, 41-308d, 41-310, 41-311, 41-313, 41-316, 41-317, 41-
5 319, 41-351, 41-355, 41-501, 41-601, 41-602, 41-710, 41-714, 41-717,
6 41-718, 41-719, 41-803, 41-901, 41-1101, 41-1201, 41-1202, 41-2623,
7 65-689, 79-4101, 79-4102, 79-4103 and 79-4104 and K.S.A. 2021
8 Supp. 75-5133 and repealing the existing sections; also repealing
9 K.S.A. 2021 Supp. 75-5133d.

10

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

12 New Section 1. (a) A microwinery license shall allow:

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

16 (2) the sale of wine, manufactured by the licensee, to licensed wine
17 distributors, retailers, public venues, clubs, drinking establishments,
18 holders of temporary permits as authorized by K.S.A. 41-1201, and
19 amendments thereto, and caterers;

20 (3) the manufacture for and sale of wine to holders of producer
21 licenses as authorized by K.S.A. 41-355, and amendments thereto. Wine
22 manufactured for a producer licensee shall be included in the microwinery
23 licensee's annual production for purposes of subsection (c). The label for
24 any such wine manufactured by the microwinery licensee, as filed with the
25 alcohol and tobacco tax and trade bureau of the United States department
26 of the treasury, may be owned by either the microwinery or the producer
27 licensee for whom the wine was manufactured;

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

32 (5) the serving of samples of wine, manufactured by the licensee or
33 imported under section 4, and amendments thereto, free of charge on the
34 licensed premises and at special events, monitored and regulated by the
35 division of alcoholic beverage control if the licensed premises are located
36 in a county where the sale of alcoholic liquor is permitted by law in

1 licensed drinking establishments;

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

9 (7) the sale of domestic wine, domestic fortified wine and other
10 alcoholic liquor for consumption on the licensed premises as authorized by
11 the club and drinking establishment act if the licensee is also licensed as a
12 club or drinking establishment;

13 (8) the sale of domestic wine, domestic fortified wine and other
14 alcoholic liquor for consumption on the unlicensed premises as authorized
15 by the club and drinking establishment act if the licensee is also licensed
16 as a caterer;

17 (9) the sale and shipping of wine, manufactured by the licensee, in the
18 original unopened container, to consumers outside this state if the licensee
19 complies with applicable laws and rules and regulations of the jurisdiction
20 to which the wine is shipped;

21 (10) the sale and shipping of wine within this state pursuant to a
22 permit issued pursuant to K.S.A. 41-350, and amendments thereto;

23 (11) the transfer or receipt of wine in a bulk container or packaged
24 wine in bond to any bonded premises pursuant to 26 U.S.C. § 5362(b)(1)
25 and 27 C.F.R. § 24.280 through 24.284, as in effect on July 1, 2021;

26 (12) the transfer or receipt of wine in a bulk container in bond to a
27 distilled spirits plant for use in the manufacture of distilled spirits pursuant
28 to 26 U.S.C. § 5362(b)(2), (b)(3) and (c)(6) and 27 C.F.R. § 24.280
29 through 24.290, as in effect on July 1, 2021;

30 (13) the receipt of distilled spirits in a bulk container pursuant to 26
31 U.S.C. § 5214(a)(5) and 27 C.F.R. § 19.402 through 19.407, as in effect on
32 July 1, 2021; and

33 (14) the production of fortified wine with the addition of wine spirits
34 to domestic wine if the spirits added are produced from the same kind of
35 fruit that was used to produce the wine pursuant to 26 U.S.C. § 5382(b)(2),
36 as in effect on July 1, 2021.

37 (b) Upon application and payment of the fee prescribed by K.S.A. 41-
38 310, and amendments thereto, by a microwinery licensee, the director may
39 issue no more than three winery outlet licenses to the microwinery
40 licensee. A winery outlet license shall allow:

41 (1) The sale of wine, manufactured by the licensee, on the licensed
42 premises and at special events monitored and regulated by the division of
43 alcoholic beverage control in the original unopened container to

1 consumers for consumption off the licensed premises;

2 (2) the serving of samples of wine, manufactured by the licensee or
3 imported under section 4, and amendments thereto, on the licensed
4 premises if the premises are located in a county where the sale of alcoholic
5 liquor is permitted by law in licensed drinking establishments; and

6 (3) the manufacture of domestic table wine and domestic fortified
7 wine and the storage thereof if the aggregate quantity of wine produced by
8 the microwinery licensee, including all winery outlets, does not exceed
9 100,000 gallons per year.

10 (c) (1) Not less than 15% of the products utilized in the manufacture
11 of domestic table wine and domestic fortified wine by a microwinery shall
12 be grown in Kansas except when a lesser proportion is authorized by the
13 director based upon the director's findings and judgment. The production
14 requirement of this subsection shall be determined based on the annual
15 production of domestic table wine and domestic fortified wine by the
16 microwinery.

17 (2) The provisions of this subsection shall expire on January 1, 2023.

18 (d) A microwinery licensee may import wine from outside Kansas for
19 use in the production of its domestic table wine and domestic fortified
20 wine and shall report such imports on forms prescribed by the director.

21 (e) A microwinery or winery outlet may sell domestic wine and
22 domestic fortified wine in the original unopened container to consumers
23 for consumption off the licensed premises at any time between 6 a.m. and
24 12 midnight on any day. If authorized by subsection (a), a microwinery
25 may serve samples of wine manufactured by the licensee and wine
26 imported under section 4, and amendments thereto, and serve and sell
27 domestic wine, domestic fortified wine and other alcoholic liquor for
28 consumption on the licensed premises at any time when a club or drinking
29 establishment is authorized to serve and sell alcoholic liquor. If authorized
30 by subsection (b), a winery outlet may serve samples of domestic wine,
31 domestic fortified wine and wine imported under section 4, and
32 amendments thereto, at any time when the winery outlet is authorized to
33 sell domestic wine and domestic fortified wine.

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

37 (g) No microwinery or winery outlet shall:

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

40 (2) permit any employee of the licensee who is under the age of 21
41 years to work on the licensed premises at any time when not under the on-
42 premise supervision of either the licensee or an employee of the licensee
43 who is 21 years of age or older;

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

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

5 (5) transfer wine in a bulk container to the premises of a brewery
6 pursuant to 26 U.S.C. § 5411 and 27 C.F.R. § 25.23, as in effect on July 1,
7 2021.

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

13 (i) For purposes of this section, the terms in subsections (a)(11)
14 through (a)(14) and (g)(5), if not otherwise defined in K.S.A. 41-102, and
15 amendments thereto, mean the same as such terms are defined in title 27,
16 chapter I, subchapter A of the code of federal regulations, as in effect on
17 July 1, 2021.

18 (j) This section shall be a part of and supplemental to the Kansas
19 liquor control act.

20 New Sec. 2. (a) On and after January 1, 2023, each applicant for a
21 farm winery license, or the renewal thereof, or for a conversion of a
22 microwinery license to a farm winery license shall apply to the Kansas
23 department of agriculture for a certificate of farm-related activity. The
24 application shall be submitted in such form and manner as prescribed by
25 the secretary of agriculture. Upon determination that the applicant is
26 engaged in farm-related activities associated with the manufacture and sale
27 of wine, the secretary shall issue a certificate of farm-related activity to the
28 applicant. Such certificate shall be valid for a period of two years from the
29 date of issuance.

30 (b) On and after January 1, 2023, each applicant for a farm winery
31 license, or the renewal thereof, or for a conversion of a microwinery
32 license to a farm winery license shall submit a valid certificate of farm-
33 related activity along with such application to the director. No farm winery
34 license shall be issued or renewed unless a valid certificate of farm-related
35 activity is submitted by the applicant.

36 (c) On or before January 1, 2023, the secretary of agriculture shall
37 adopt rules and regulations necessary to administer and implement the
38 provisions of subsection (a).

39 (d) This section shall be a part of and supplemental to the Kansas
40 liquor control act.

41 New Sec. 3. (a) A farm winery licensee may apply to the director to
42 convert such license to a microwinery license. The application shall be
43 submitted in such form and manner as prescribed by the director. Each

1 applicant shall:

2 (1) Submit an application fee of \$30 to defray the cost of processing
3 the application; and

4 (2) file a joint and several bond in accordance with K.S.A. 41-317(g),
5 and amendments thereto.

6 (b) A microwinery licensee may apply to the director to convert such
7 license to a farm winery license. The application shall be submitted in
8 such form and manner as prescribed by the director. Each applicant shall:

9 (1) Submit an application fee of \$30 to defray the cost of processing
10 the application;

11 (2) file a joint and several bond in accordance with K.S.A. 41-317(g),
12 and amendments thereto; and

13 (3) submit a certificate of farm-related activity issued by the secretary
14 of agriculture.

15 (c) If an application for conversion is approved, the term of the new
16 license shall be for the unexpired portion of the term of the prior license
17 from which it was converted, and no additional license fee shall be
18 imposed for such new license.

19 (d) This section shall be a part of and supplemental to the Kansas
20 liquor control act.

21 New Sec. 4. (a) The director may issue to the Kansas state fair or any
22 bona fide group of grape growers or wine makers a permit to import into
23 this state small quantities of wines. Such wine shall be used only for bona
24 fide educational and scientific tasting programs and shall not be resold.
25 Such wine shall not be subject to the tax imposed by K.S.A. 41-501, and
26 amendments thereto. The permit shall identify specifically the brand and
27 type of wine to be imported, the quantity to be imported, the tasting
28 programs for which the wine is to be used and the times and locations of
29 such programs. The secretary shall adopt rules and regulations governing
30 the importation of wine pursuant to this subsection and the conduct of
31 tasting programs for which such wine is imported.

32 (b) This section shall be a part of and supplemental to the Kansas
33 liquor control act.

34 Sec. 5. K.S.A. 41-102 is hereby amended to read as follows: 41-102.
35 As used in this act, unless the context clearly requires otherwise:

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

40 (b) "Alcoholic candy" means:

41 (1) For purposes of manufacturing, any candy or other confectionery
42 product with an alcohol content greater than 0.5% alcohol by volume; and

43 (2) for purposes of sale at retail, any candy or other confectionery

1 product with an alcohol content greater than 1% alcohol by volume.

2 (c) "Alcoholic liquor" means alcohol, spirits, wine, beer, alcoholic
3 candy and every liquid or solid, patented or not, containing alcohol, spirits,
4 wine or beer and capable of being consumed by a human being, but shall
5 not include any cereal malt beverage.

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

10 (e) "Caterer" means the same as defined by K.S.A. 41-2601, and
11 amendments thereto.

12 (f) "Cereal malt beverage" means the same as defined by K.S.A. 41-
13 2701, and amendments thereto.

14 (g) "Club" means the same as defined by K.S.A. 41-2601, and
15 amendments thereto.

16 (h) "Director" means the director of alcoholic beverage control of the
17 department of revenue.

18 (i) "Distributor" means the person importing or causing to be
19 imported into the state, or purchasing or causing to be purchased within
20 the state, alcoholic liquor for sale or resale to retailers licensed under this
21 act or cereal malt beverage for sale or resale to retailers licensed under
22 K.S.A. 41-2702, and amendments thereto.

23 (j) "Domestic beer" means beer which contains not more than 15%
24 alcohol by weight and which is manufactured in this state.

25 (k) "Domestic fortified wine" means wine which contains more than
26 14%, but not more than 20% alcohol by volume and which is
27 manufactured in this state.

28 (l) "Domestic table wine" means wine which contains not more than
29 14% alcohol by volume and which is manufactured without rectification or
30 fortification in this state.

31 (m) "Drinking establishment" means the same as defined by K.S.A.
32 41-2601, and amendments thereto.

33 (n) "Farm winery" means a winery licensed by the director to
34 manufacture, store and sell domestic table wine and domestic fortified
35 wine *in accordance with K.S.A. 41-308a, and amendments thereto.*

36 (o) "Fulfillment house" means any location or facility for any in-state
37 or out-of-state entity that handles logistics, including warehousing,
38 packaging, order fulfillment or shipping services on behalf of the holder of
39 a special order shipping license issued pursuant to K.S.A. 41-350, and
40 amendments thereto.

41 (p) "Hard cider" means any alcoholic beverage that:

42 (1) Contains less than 8.5% alcohol by volume;

43 (2) has a carbonation level that does not exceed 6.4 grams per liter;

1 and

2 (3) is obtained by the normal alcoholic fermentation of the juice of
3 sound, ripe apples or pears, including such beverages containing sugar
4 added for the purpose of correcting natural deficiencies.

5 (q) "Manufacture" means to distill, rectify, ferment, brew, make, mix,
6 concoct, process, blend, bottle or fill an original package with any
7 alcoholic liquor, beer or cereal malt beverage.

8 (r) (1) "Manufacturer" means every brewer, fermenter, distiller,
9 rectifier, wine maker, blender, processor, bottler or person who fills or
10 refills an original package and others engaged in brewing, fermenting,
11 distilling, rectifying or bottling alcoholic liquor, beer or cereal malt
12 beverage.

13 (2) "Manufacturer" does not include a microbrewery, microdistillery,
14 *microwinery* or a farm winery.

15 (s) "Microbrewery" means a brewery licensed by the director to
16 manufacture, store and sell domestic beer and hard cider.

17 (t) "Microdistillery" means a facility which produces spirits from any
18 source or substance that is licensed by the director to manufacture, store
19 and sell spirits.

20 (u) "*Microwinery*" means a winery licensed by the director to
21 manufacture, store and sell domestic table wine and domestic fortified
22 wine in accordance with section 1, and amendments thereto.

23 (v) "Minor" means any person under 21 years of age.

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

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

33 ~~(x)~~(y) "Person" means any natural person, corporation, partnership,
34 trust or association.

35 ~~(y)~~(z) "Powdered alcohol" means alcohol that is prepared in a
36 powdered or crystal form for either direct use or for reconstitution in a
37 nonalcoholic liquid.

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

1 product can be secured by American wholesalers.

2 ~~(aa)~~(bb) (1) "Retailer" means a person who is licensed under the
3 Kansas liquor control act and sells at retail, or offers for sale at retail,
4 alcoholic liquors or cereal malt beverages.

5 (2) "Retailer" does not include a microbrewery, microdistillery,
6 *microwinery* or a farm winery.

7 ~~(bb)~~(cc) "Sale" means any transfer, exchange or barter in any manner
8 or by any means whatsoever for a consideration and includes all sales
9 made by any person, whether principal, proprietor, agent, servant or
10 employee.

11 ~~(ee)~~(dd) "Salesperson" means any natural person who:

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

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

21 ~~(dd)~~(ee) "Sample" means a serving of alcoholic liquor that contains
22 not more than: (1) One-half ounce of distilled spirits; (2) one ounce of
23 wine; or (3) two ounces of beer or cereal malt beverage. A "sample" of a
24 mixed alcoholic beverage shall contain not more than ½ ounce of distilled
25 spirits.

26 ~~(ee)~~(ff) "Secretary" means the secretary of revenue.

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

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

35 ~~(gg)~~(hh) "To sell" includes to solicit or receive an order for, to keep or
36 expose for sale and to keep with intent to sell.

37 ~~(hh)~~(ii) "Sleeve" means a package of two or more 50-milliliter or 3.2-
38 fluid-ounce containers of spirits.

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

1 ~~(jj)~~(kk) "Supplier" means a manufacturer of alcoholic liquor or cereal
 2 malt beverage or an agent of such manufacturer, other than a salesperson.

3 ~~(kk)~~(ll) "Temporary permit" means the same as defined by K.S.A. 41-
 4 2601, and amendments thereto.

5 ~~(H)~~(mm) "Wine" means any alcoholic beverage obtained by the
 6 normal alcoholic fermentation of the juice of sound, ripe grapes, fruits,
 7 berries or other agricultural products, including such beverages containing
 8 added alcohol or spirits or containing sugar added for the purpose of
 9 correcting natural deficiencies. "Wine" includes hard cider and any other
 10 product that is commonly known as a subset of wine.

11 Sec. 6. K.S.A. 41-304 is hereby amended to read as follows: 41-304.
 12 Licenses issued by the director shall be of the following classes: (a)
 13 Manufacturer's license; (b) spirits distributor's license; (c) wine
 14 distributor's license; (d) beer distributor's license; (e) retailer's license; (f)
 15 microbrewery license; (g) microdistillery license; (h) farm winery license;
 16 (i) *microwinery license*; (j) producer's license; and~~(j)~~ (k) nonbeverage
 17 user's license.

18 Sec. 7. K.S.A. 41-305 is hereby amended to read as follows: 41-305.
 19 (a) A manufacturer's license shall allow the manufacture and storage of
 20 alcoholic liquor and cereal malt beverage and the sale of alcoholic liquor
 21 and cereal malt beverage to distributors and nonbeverage users licensed in
 22 this state and to such persons outside this state as permitted by law.

23 (b) A manufacturer's license also shall allow the serving free of
 24 charge on the licensed premises of samples of alcoholic liquor
 25 manufactured by the licensee, provided the premises are located in a
 26 county where the sale of alcoholic liquor is permitted by law in licensed
 27 drinking establishments. Samples shall be served by the licensee, or an
 28 employee or agent thereof. No sample shall be served to an individual who
 29 is a minor. No individual shall remove all or any portion of a sample from
 30 the licensed premises. Nothing in this subsection shall be construed to
 31 permit the licensee to sell any alcoholic liquor for consumption on the
 32 premises.

33 (c) A person holding a farm winery license ~~issued pursuant to K.S.A.~~
 34 ~~41-308a, and amendments thereto, or a microwinery license~~ may also be
 35 issued a manufacturer's license; provided, that no alcoholic liquor or cereal
 36 malt beverage manufactured by such licensee shall be sold by such
 37 licensee at its licensed premises or at any of such licensee's winery outlets.

38 Sec. 8. K.S.A. 41-308a is hereby amended to read as follows: 41-
 39 308a. (a) A farm winery license shall allow:

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

43 (2) the sale of wine, manufactured by the licensee, to licensed wine

1 distributors, retailers, public venues, clubs, drinking establishments,
2 holders of temporary permits as authorized by K.S.A. 41-1201, and
3 amendments thereto, and caterers;

4 (3) the manufacture for and sale of wine to holders of producer
5 licenses as authorized by K.S.A. 41-355, and amendments thereto. Wine
6 manufactured for a producer licensee shall be included in the farm winery
7 licensee's annual production for purposes of subsection (c). The label for
8 any such wine manufactured by the farm winery licensee, as filed with the
9 alcohol and tobacco tax and trade bureau of the United States department
10 of the treasury, may be owned by either the farm winery or the producer
11 licensee for whom the wine was manufactured;

12 (4) the sale *of wine, manufactured by the licensee*, on the licensed
13 premises and at special events monitored and regulated by the division of
14 alcoholic beverage control in the original unopened container to
15 consumers for consumption off the licensed premises, ~~of wine~~
16 ~~manufactured by the licensee~~;

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

24 (6) the sale of wine manufactured by the licensee for consumption on
25 the licensed premises, ~~provided, if~~ the licensed premises are located in a
26 county where the sale of alcoholic liquor is permitted by law in licensed
27 drinking establishments. Wine sold pursuant to this paragraph shall not be
28 subject to the provisions of the club and drinking establishment act, K.S.A.
29 41-2601 et seq., and amendments thereto, and no drinking establishment
30 license shall be required to make such sales;

31 ~~if the licensee is also licensed as a club or drinking establishment,~~
32 the sale of domestic wine, domestic fortified wine and other alcoholic
33 liquor for consumption on the licensed premises as authorized by the club
34 and drinking establishment act *if the licensee is also licensed as a club or*
35 *drinking establishment*;

36 ~~if the licensee is also licensed as a caterer,~~ the sale of domestic
37 wine, domestic fortified wine and other alcoholic liquor for consumption
38 on the unlicensed premises as authorized by the club and drinking
39 establishment act *if the licensee is also licensed as a caterer*;

40 (9) the sale and shipping *of wine, manufactured by the licensee*, in the
41 original unopened container, to consumers outside this state ~~of wine~~
42 ~~manufactured by the licensee, provided that if~~ the licensee complies with
43 applicable laws and rules and regulations of the jurisdiction to which the

1 wine is shipped;

2 (10) the sale and shipping of wine within this state pursuant to a
3 permit issued pursuant to K.S.A. 41-350, and amendments thereto;

4 (11) the transfer or receipt of wine in a bulk container or packaged
5 wine in bond to any bonded premises pursuant to 26 U.S.C. § 5362(b)(1)
6 and 27 C.F.R. § 24.280 through 24.284, as in effect on July 1, 2021;

7 (12) the transfer or receipt of wine in a bulk container in bond to a
8 distilled spirits plant for use in the manufacture of distilled spirits pursuant
9 to 26 U.S.C. § 5362(b)(2), (b)(3) and (c)(6) and 27 C.F.R. § 24.280
10 through 24.290, as in effect on July 1, 2021;

11 (13) the receipt of distilled spirits in a bulk container pursuant to 26
12 U.S.C. § 5214(a)(5) and 27 C.F.R. § 19.402 through 19.407, as in effect on
13 ~~on~~ July 1, 2021; and

14 (14) the production of fortified wine with the addition of wine spirits
15 to domestic wine if the spirits added are produced from the same kind of
16 fruit that was used to produce the wine pursuant to 26 U.S.C. § 5382(b)(2),
17 as in effect on July 1, 2021.

18 (b) Upon application and payment of the fee prescribed by K.S.A. 41-
19 310, and amendments thereto, by a farm winery licensee, the director may
20 issue ~~not to exceed~~ *no more than* three winery outlet licenses to the farm
21 winery licensee. A winery outlet license shall allow:

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

27 (2) the serving ~~on the licensed premises~~ of samples of wine,
28 manufactured by the licensee or imported under ~~subsection (f)~~ *section 4,*
29 *and amendments thereto, on the licensed premises* if the premises are
30 located in a county where the sale of alcoholic liquor is permitted by law
31 in licensed drinking establishments; and

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

36 (c) (1) Not less than ~~30%~~ *15%* of the products utilized in the
37 manufacture of domestic table wine and domestic fortified wine by a farm
38 winery shall be grown in Kansas except when a lesser proportion is
39 authorized by the director based upon the director's findings and judgment.
40 The production requirement of this subsection shall be determined based
41 on the annual production of domestic table wine and domestic fortified
42 wine by the farm winery.

43 (2) ~~On and after July 1, 2021, the percentage of products utilized in~~

1 ~~the manufacture of domestic table wine and domestic fortified wine by a~~
2 ~~farm winery required to be grown in Kansas shall be not less than 15%.~~

3 ~~(3) The provisions of this subsection shall expire on January 1, 2023.~~

4 (d) A farm winery licensee may import wine from outside Kansas for
5 use in the production of its domestic table wine and domestic fortified
6 wine and shall report such imports on forms prescribed by the director.

7 (e) A farm winery or winery outlet may sell domestic wine and
8 domestic fortified wine in the original unopened container to consumers
9 for consumption off the licensed premises at any time between 6 a.m. and
10 12 midnight on any day. If authorized by subsection (a), a farm winery
11 may serve samples of wine manufactured by the licensee and wine
12 imported under ~~subsection (f) section 4, and amendments thereto,~~ and
13 serve and sell domestic wine, domestic fortified wine and other alcoholic
14 liquor for consumption on the licensed premises at any time when a club
15 or drinking establishment is authorized to serve and sell alcoholic liquor. If
16 authorized by subsection (b), a winery outlet may serve samples of
17 domestic wine, domestic fortified wine and wine imported under
18 ~~subsection (f) section 4, and amendments thereto,~~ at any time when the
19 winery outlet is authorized to sell domestic wine and domestic fortified
20 wine.

21 ~~(f) The director may issue to the Kansas state fair or any bona fide~~
22 ~~group of grape growers or wine makers a permit to import into this state~~
23 ~~small quantities of wines. Such wine shall be used only for bona fide~~
24 ~~educational and scientific tasting programs and shall not be resold. Such~~
25 ~~wine shall not be subject to the tax imposed by K.S.A. 41-501, and~~
26 ~~amendments thereto. The permit shall identify specifically the brand and~~
27 ~~type of wine to be imported, the quantity to be imported, the tasting~~
28 ~~programs for which the wine is to be used and the times and locations of~~
29 ~~such programs. The secretary shall adopt rules and regulations governing~~
30 ~~the importation of wine pursuant to this subsection and the conduct of~~
31 ~~tasting programs for which such wine is imported.~~

32 ~~(g)~~ A farm winery license or winery outlet license shall apply only to
33 the premises described in the application and in the license issued and only
34 one location shall be described in the license.

35 ~~(h)~~(g) No farm winery or winery outlet shall:

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

38 (2) permit any employee of the licensee who is under the age of 21
39 years to work on the licensed premises at any time when not under the on-
40 premise supervision of either the licensee or an employee of the licensee
41 who is 21 years of age or ~~over~~ older;

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

1 (4) employ any person in connection with the manufacture or sale of
2 alcoholic liquor if the person has been convicted of a felony; or

3 (5) transfer wine in a bulk container to the premises of a brewery
4 pursuant to 26 U.S.C. § 5411 and 27 C.F.R. § 25.23, as in effect on July 1,
5 2021.

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

11 ~~(i)~~(i) For purposes of this section, the terms in subsections (a)(11)
12 through (a)(14) and ~~(h)(5)~~ (g)(5), if not otherwise defined in K.S.A. 41-
13 102, and amendments thereto, mean the same as such terms are defined in
14 title 27, chapter I, subchapter A of the code of federal regulations, as in
15 effect on July 1, 2021.

16 ~~(j)~~(j) This section shall be a part of and supplemental to the Kansas
17 liquor control act.

18 Sec. 9. K.S.A. 41-308d is hereby amended to read as follows: 41-
19 308d. (a) Notwithstanding any other provisions of the Kansas liquor
20 control act to the contrary, any person or entity who is licensed to sell
21 alcoholic liquor in the original package at retail may conduct wine, beer
22 and distilled spirit tastings on the licensed premises, or adjacent premises,
23 monitored and regulated by the division of alcoholic beverage control, as
24 follows:

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

30 (2) The holder of a supplier's permit ~~or Kansas~~, farm winery license
31 *or microwinery license*, or such permit holder's or licensee's agent or
32 employee, may participate in and conduct product tastings of alcoholic
33 beverages at a retail licensee's premises, or adjacent premises, monitored
34 and regulated by the division of alcoholic beverage control, and may open,
35 touch, or pour alcoholic beverages, make a presentation; or answer
36 questions at the tasting. Any alcoholic beverage tasted under this
37 subsection ~~must~~ *shall* be purchased from the retailer on whose premises
38 the tasting is held. The retailer ~~may~~ *shall* not require the purchase of more
39 alcoholic beverages than are necessary for the tasting. This section does
40 not authorize the supplier, farm winery licensee *or microwinery licensee*,
41 or the supplier's or licensee's agent, to withdraw or purchase an alcoholic
42 beverage from the holder of a distributor's permit or provide an alcoholic
43 beverage for tasting on a retailer's premises that is not purchased from the

1 retailer.

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

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

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

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

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

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

18 (e) This section shall be a part of and supplemental to the Kansas
19 liquor control act.

20 Sec. 10. K.S.A. 41-310 is hereby amended to read as follows: 41-310.

21 (a) At the time application is made to the director for a license of any class,
22 the applicant shall pay the fee provided by this section.

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

25 (c) (1) The fee for a manufacturer's license to manufacture beer and
26 cereal malt beverage shall be:

27 ~~(A)~~ For 1 to 100 barrel daily capacity or any part thereof, \$400.

28 ~~(B)~~ For 100 to 150 barrel daily capacity, \$800.

29 ~~(C)~~ For 150 to 200 barrel daily capacity, \$1,400.

30 ~~(D)~~ For 200 to 300 barrel daily capacity, \$2,000.

31 ~~(E)~~ For 300 to 400 barrel daily capacity, \$2,600.

32 ~~(F)~~ For 400 to 500 barrel daily capacity, \$2,800.

33 ~~(G)~~ For 500 or more barrel daily capacity, \$3,200.

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

38 (d) The fee for a manufacturer's license to manufacture wine shall be
39 \$1,000.

40 (e) (1) The fee for a microbrewery license, a microdistillery license
41 ~~or~~, a farm winery license *or a microwinery license* shall be \$500.

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

43 (3) The fee for a microbrewery packaging and warehousing facility

1 license shall be \$200.

2 (4) The fee for a microdistillery packaging and warehousing facility
3 license shall be \$200.

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

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

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

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

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

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

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

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

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

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

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

27 (2) any township in which the licensed premises are located may levy
28 and collect a biennial occupation or license tax on the licensee in an
29 amount not exceeding the amount of the license fee required to be paid
30 under this act to obtain the license, but no township shall impose an
31 occupation or privilege tax on the licensee in excess of that amount; the
32 township board of the township is authorized to fix and impose the tax and
33 the tax shall be paid by the licensee to the township treasurer, who shall
34 issue a receipt therefor to the licensee and shall cause the tax paid to be
35 placed in the general fund of the township.

36 (k) The fee for a retailer's license shall be \$500.

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

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

43 (2) any township in which the licensed premises are located may levy

1 and collect a biennial occupation or license tax on the licensee in an
2 amount not less than \$200 nor more than \$600; the township board of the
3 township is authorized to fix and impose the tax and the tax shall be paid
4 by the licensee to the township treasurer, who shall issue a receipt therefor
5 to the licensee and shall cause the tax paid to be placed in the general fund
6 of the township.

7 (m) The fee for a producer's license shall be \$200.

8 (n) The license term for a license shall commence on the effective
9 date as specified on the license and shall end two years after that date. The
10 director may, at the director's sole discretion and after examination of the
11 circumstances, extend the license term of any license for not more than 30
12 days beyond the date such license would expire pursuant to this section.
13 Any extension of the license term by the director pursuant to this section
14 shall automatically extend the due date for payment by the licensee of any
15 occupation or license tax levied by a city or township pursuant to this
16 section by the same number of days the director has extended the license
17 term.

18 Sec. 11. K.S.A. 41-311 is hereby amended to read as follows: 41-311.

19 (a) No license of any kind shall be issued pursuant to the liquor control act
20 to a person:

21 (1) Who is not a citizen of the United States;

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

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

30 (4) who has been convicted of being the keeper or is keeping any
31 property, whether real or personal, where sexual relations are being sold or
32 offered for sale by a person who is 18 years of age or older or has forfeited
33 bond to appear in court to answer charges of being a keeper of any
34 property, whether real or personal, where sexual relations are being sold or
35 offered for sale by a person who is 18 years of age or older;

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

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

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

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

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

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

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

15 (12) whose spouse would be ineligible to receive a license under this
16 act for any reason other than citizenship requirements or age, except that
17 this paragraph shall not apply in determining eligibility for a renewal
18 license or to a person whose spouse is a law enforcement officer;

19 (13) whose spouse has been convicted of a felony or other crime that
20 would disqualify a person from licensure under this section and such
21 felony or other crime was committed during the time that the spouse held a
22 license under this act;

23 (14) who does not provide any data or information required by
24 K.S.A. 41-311b, and amendments thereto; or

25 (15) who, after a hearing before the director, has been found to have
26 held an undisclosed beneficial interest in any license issued pursuant to the
27 liquor control act that was obtained by means of fraud or any false
28 statement made on the application for such license.

29 (b) No retailer's license shall be issued to:

30 (1) A person who has a beneficial interest in a manufacturer,
31 distributor, farm winery ~~or~~, microbrewery, *microdistillery or microwinery*
32 licensed under this act, except that the spouse of an applicant for a
33 retailer's license may own and hold a farm winery license, *a microbrewery*
34 *license, or both, a microdistillery license and a microwinery license* if the
35 spouse does not hold a retailer's license issued under this act;

36 (2) a person who has a beneficial interest in any other retail
37 establishment licensed under this act, except that the spouse of a licensee
38 may own and hold a retailer's license for another retail establishment;

39 (3) a copartnership, unless all of the copartners are qualified to obtain
40 a license;

41 (4) a corporation; or

42 (5) a trust, if any grantor, beneficiary or trustee would be ineligible to
43 receive a license under this act for any reason, except that the provisions of

1 subsection (a)(6) shall not apply in determining whether a beneficiary
2 would be eligible for a license.

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

4 (1) A corporation, if any officer or director thereof, or any
5 stockholder owning in the aggregate more than 25% of the stock of the
6 corporation would be ineligible to receive a manufacturer's license for any
7 reason other than citizenship requirements;

8 (2) a copartnership, unless all of the copartners would be individually
9 eligible to receive a manufacturer's license under this act;

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

14 (4) a person who has a beneficial interest in a distributor, retailer,
15 farm winery~~or~~, microbrewery, *microdistillery or microwinery* licensed
16 under this act, except as provided in K.S.A. 41-305, and amendments
17 thereto.

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

19 (1) A corporation, if any officer, director or stockholder of the
20 corporation would be ineligible to receive a distributor's license for any
21 reason. It shall be unlawful for any stockholder of a corporation licensed
22 as a distributor to transfer any stock in the corporation to any person who
23 would be ineligible to receive a distributor's license for any reason, and
24 any such transfer shall be null and void, except that: (A) If any stockholder
25 owning stock in the corporation dies and an heir or devisee to whom stock
26 of the corporation descends by descent and distribution or by will is
27 ineligible to receive a distributor's license, the legal representatives of the
28 deceased stockholder's estate and the ineligible heir or devisee shall have
29 14 months from the date of the death of the stockholder within which to
30 sell the stock to a person eligible to receive a distributor's license, any such
31 sale by a legal representative to be made in accordance with the provisions
32 of the probate code; or (B) if the stock in any such corporation is the
33 subject of any trust and any trustee or beneficiary of the trust who is 21
34 years of age or older is ineligible to receive a distributor's license, the
35 trustee, within 14 months after the effective date of the trust, shall sell the
36 stock to a person eligible to receive a distributor's license and hold and
37 disburse the proceeds in accordance with the terms of the trust. If any legal
38 representatives, heirs, devisees or trustees fail, refuse or neglect to sell any
39 stock as required by this subsection, the stock shall revert to and become
40 the property of the corporation, and the corporation shall pay to the legal
41 representatives, heirs, devisees or trustees the book value of the stock.
42 During the period of 14 months prescribed by this subsection, the
43 corporation shall not be denied a distributor's license or have its

1 distributor's license revoked if the corporation meets all of the other
2 requirements necessary to have a distributor's license;

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

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

9 (4) a person who has a beneficial interest in a manufacturer, retailer,
10 farm winery ~~or~~, microbrewery, *microdistillery* or *microwinery* licensed
11 under this act.

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

17 (f) No microbrewery license, microdistillery license, *microwinery*
18 *license* or farm winery license shall be issued to a:

19 (1) Person who has a beneficial interest in a manufacturer or
20 distributor licensed under this act, except as provided in K.S.A. 41-305,
21 and amendments thereto;

22 (2) person, copartnership or association that has a beneficial interest
23 in any retailer licensed under this act or under K.S.A. 41-2702, and
24 amendments thereto, except that the spouse of an applicant for a
25 microbrewery, *microdistillery*, *microwinery* or farm winery license may
26 own and hold a retailer's license if the spouse does not hold a
27 microbrewery, *microdistillery*, *microwinery* or farm winery license issued
28 under this act;

29 (3) copartnership, unless all of the copartners are qualified to obtain a
30 license;

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

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

39 (g) If the applicant is not a Kansas resident, no license shall be issued
40 until the applicant has appointed a citizen of the United States who is a
41 resident of Kansas as the applicant's agent and filed with the director a
42 duly authenticated copy of a duly executed power of attorney, authorizing
43 the agent to accept service of process from the director and the courts of

1 this state and to exercise full authority, control and responsibility for the
 2 conduct of all business and transactions within the state relative to
 3 alcoholic liquor and the business licensed. The agent must be satisfactory
 4 to and approved by the director, except that the director shall not approve
 5 as an agent any person who:

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

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

13 (3) has been convicted of being the keeper or is keeping any property,
 14 whether real or personal, where sexual relations are being sold or offered
 15 for sale by a person who is 18 years of age or older or has forfeited bond to
 16 appear in court to answer charges of being a keeper of any property,
 17 whether real or personal, where sexual relations are being sold or offered
 18 for sale by a person who is 18 years of age or older;

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

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

24 Sec. 12. K.S.A. 41-313 is hereby amended to read as follows: 41-313.

25 (a) (1) No corporation, either organized under the laws of this state, any
 26 other state or a foreign country, shall be issued a manufacturer's,
 27 distributor's, microbrewery, microdistillery, *microwinery* or farm winery
 28 license unless the corporation has first procured a certificate of authority
 29 from the secretary of state to do business in this state as provided by law,
 30 appointed a citizen of the United States, and resident of Kansas, as its
 31 agent and filed with the director a duly authenticated copy of a duly
 32 executed power of attorney, authorizing the agent to accept service of
 33 process from the director and the courts of this state and to exercise full
 34 authority of the corporation and full authority, control and responsibility
 35 for the conduct of all business and transactions of the corporation within
 36 the state relative to alcoholic liquor and the business licensed. The agent
 37 must be satisfactory to and approved by the director with respect to the
 38 agent's character. The agent shall at all times be maintained by the
 39 corporation.

40 (2) In addition, any corporation organized under the laws of any other
 41 state or foreign country, as a condition precedent to the issuance to it of
 42 any license, shall file with the secretary of state of the state of Kansas, a
 43 duly authorized and executed power of attorney, authorizing the secretary

1 of state to accept service of process from the director and the courts of this
2 state and to accept service of any notice or order provided for in this act,
3 and all such acts by the secretary of state shall be fully binding upon the
4 corporation.

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

25 Sec. 13. K.S.A. 41-316 is hereby amended to read as follows: 41-316.
26 Licenses to manufacturers, distributors, microbreweries, microdistilleries,
27 *microwineries*, farm wineries, producers and nonbeverage users of
28 alcoholic liquors shall be issued and renewed by the director to qualified
29 applicants upon written application, receipt of bond properly executed and
30 payment in advance of the state registration fee and the license fee.

31 Sec. 14. K.S.A. 41-317 is hereby amended to read as follows: 41-317.
32 (a) Applications for all licenses under this act shall be completed and
33 submitted to the director in a manner prescribed by the director. Each
34 applicant shall submit an application fee of \$30 for each initial application
35 and \$10 for each renewal application to defray the cost of processing the
36 application.

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

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

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

43 (c) If the applicant elects to pay only one-half of the license fee

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

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

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

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

21 (g) Every applicant for a manufacturer's, distributor's, nonbeverage
22 user's, microbrewery, microdistillery, *microwinery*, farm winery, retailer's,
23 producer's or special order shipping license shall file with the application a
24 joint and several bond on a form prescribed by the director and executed
25 by good and sufficient corporate sureties licensed to do business within the
26 state of Kansas to the director, in the following amounts:

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

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

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

36 (4) for a retailer, \$2,000;

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

39 (6) for a microbrewery, microdistillery, *microwinery* or a farm winery,
40 \$2,000;

41 (7) for a producer, \$500; and

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

1 (h) If a distributor holds or applies for more than one distributor's
2 license, only one bond for all such licenses shall be required, which bond
3 shall be in an amount equal to the highest applicable bond.

4 (h)(i) All bonds required by this section shall be conditioned on the
5 licensee's compliance with the provisions of this act and payment of all
6 taxes, fees, fines and forfeitures that may be assessed against the licensee.

7 Sec. 15. K.S.A. 41-319 is hereby amended to read as follows: 41-319.

8 (a) Except as provided by subsection (b), within 30 days after an
9 application is filed for a retailer's, microbrewery, microdistillery,
10 *microwinery*, farm winery-license or producer license and within 20 days
11 after an application is filed for a manufacturer's, distributor's or
12 nonbeverage user's license, the director shall enter an order either denying
13 or granting the license. If the director does not enter an order within the
14 time prescribed, the license applied for shall be deemed to have been
15 denied. The director, with the written consent of the applicant for a license,
16 may delay entering an order on an application for an additional period of
17 not to exceed 30 days.

18 (b) In order to complete any national criminal history record check of
19 an applicant who submitted any application after January 31, 2001, and if
20 the applicant is not a resident of the state of Kansas on the date of
21 submission of such application or has not been a resident for at least one
22 year immediately preceding the date of submission of such application the
23 director shall enter an order either denying or granting the license within
24 90 days after such application is filed. If the director does not enter an
25 order within the time prescribed, the license applied for shall be deemed to
26 have been denied. The director, with the written consent of the applicant
27 for a license, may delay entering an order on an application for an
28 additional period of not to exceed 30 days.

29 Sec. 16. K.S.A. 41-351 is hereby amended to read as follows: 41-351.

30 (a) Notwithstanding any other provisions of the Kansas liquor control act,
31 the club and drinking establishment act or the Kansas cereal malt beverage
32 act, any person who ~~is licensed to sell wine pursuant to K.S.A. 41-308a,~~
33 ~~and amendments thereto, holds a farm winery or microwinery license~~ may
34 apply to the director for an annual farmers' market sales permit. Such
35 permit shall authorize the licensee, a member of the licensee's family or an
36 employee of the licensee to sell wine in the original unopened container
37 produced and bottled by the licensee at farmers' markets.

38 (b) An application submitted pursuant to this section shall be
39 accompanied by an application fee of \$25. Permits issued under this
40 section shall be valid for one year from the date of issuance.

41 (c) The locations of the farmers' markets at which wine shall be sold
42 shall be specified in the application submitted to the director. If the
43 licensee elects to sell wine at a farmers' market, the location of which was

1 not reported to the director in the application, such licensee shall notify the
2 director of the location before any wine may be sold at that location. The
3 director shall notify the city, county and applicable law enforcement
4 agency where farmers' markets are to be held and of the issuance of a
5 permit under this section for the sale of wine at such farmers' markets.

6 (d) For the purposes of this section, "farmers' market" means any
7 common facility or area where producers or growers gather on a regular,
8 recurring basis to sell fruits, vegetables, meats and other farm products
9 directly to consumers.

10 (e) The secretary may adopt rules and regulations as necessary to
11 implement the provisions of this section.

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

14 Sec. 17. K.S.A. 41-355 is hereby amended to read as follows: 41-355.

15 (a) Any person engaged in business as a vineyard with not less than 100
16 vines of sound, ripe grapes or other type of agricultural producer with an
17 annual harvest of 1,000 pounds of other sound, ripe fruits or berries or 100
18 pounds of honey may apply to the director for and be issued up to two
19 producer licenses.

20 (b) A producer license shall apply only to the premises described in
21 the application and in the issued license.

22 (c) A producer license shall authorize the sale in the original,
23 unopened container and the serving by the drink of wine on the premises
24 specified in the license. A producer license also shall authorize the license
25 holder to conduct wine tastings in accordance with K.S.A. 41-308d, and
26 amendments thereto, on the premises specified in the license. All wine sold
27 or served by the license holder shall be produced, in whole or in part,
28 using sound, ripe grapes, fruits, berries or honey grown or produced by the
29 license holder, shall be manufactured by a farm winery *or microwinery* and
30 shall be purchased by the license holder from such farm winery *or*
31 *microwinery*.

32 (d) Any wine not consumed on the premises shall be disposed of by
33 the license holder or, prior to its removal from the property, securely re-
34 sealed and placed in a tamper-proof, transparent bag that is sealed in a
35 manner that makes it visibly apparent if the bag is subsequently opened.

36 (e) If the producer licensee is also licensed as a club or drinking
37 establishment, the producer's license shall allow the sale of domestic wine,
38 domestic fortified wine and other alcoholic liquor for consumption on the
39 licensed premises as authorized by the club and drinking establishment act.
40 If the producer licensee is also licensed as a cereal malt beverage licensee,
41 the producer's license shall allow the sale of cereal malt beverage and beer
42 not exceeding 6% alcohol by volume for consumption on the licensed
43 premises as authorized by the Kansas cereal malt beverage act.

1 (f) The officers, directors, shareholders or managers of a producer
2 licensee shall meet the qualifications of K.S.A. 41-311(a), and
3 amendments thereto.

4 (g) (1) Each producer licensee shall maintain records of all sales
5 made under the license, including sales of agricultural products to a farm
6 winery *or microwinery* and sales to consumers, and maintain records of all
7 purchases of wine manufactured by such farm winery *or microwinery*, for
8 at least three years after the date of the sale or purchase.

9 (2) The records required by this subsection shall be available for
10 inspection by the director, any agent or employee of the director, the
11 secretary or any law enforcement officer.

12 (3) Each record of a sale or purchase required by this subsection shall
13 be maintained on the premises specified in the license for at least 90 days
14 after such sale or purchase.

15 (4) Any record of a sale or purchase required by this subsection may
16 be stored electronically and maintained off the premises specified in the
17 license after 90 days have passed since such sale or purchase.

18 (h) The secretary may adopt rules and regulations as necessary to
19 implement the provisions of this section.

20 (i) (1) Nothing in this section shall be construed to prohibit a person
21 from possessing alcoholic liquor or cereal malt beverage not purchased
22 from the licensee on the premises licensed pursuant to this section.

23 (2) Nothing in this section shall prevent a licensee from adopting a
24 policy prohibiting the possession of alcoholic liquor or cereal malt
25 beverage not purchased from the licensee on the licensee's premises
26 licensed pursuant to this section.

27 (j) This section shall be a part of and supplemental to the Kansas
28 liquor control act.

29 Sec. 18. K.S.A. 41-501 is hereby amended to read as follows: 41-501.

30 (a) As used in this section and K.S.A. 41-501a, and amendments thereto:

31 (1) "Gallon" means wine gallon.

32 (2) "Federal area" means any lands or premises which are located
33 within the exterior boundaries of this state and which are held or acquired
34 by or for the use of the United States or any department, establishment or
35 agency of the United States.

36 (3) "Malt product" means malt syrup, malt extract, liquid malt or
37 wort.

38 (b) (1) For the purpose of raising revenue a tax is imposed upon the
39 manufacturing, using, selling, storing or purchasing *of* alcoholic liquor,
40 cereal malt beverage or malt products in this state or a federal area at a rate
41 of \$.18 per gallon on beer and cereal malt beverage; \$.20 per gallon on all
42 wort or liquid malt; \$.10 per pound on all malt syrup or malt extract; \$.30
43 per gallon on wine containing 14% or less alcohol by volume; \$.75 per

1 gallon on wine containing more than 14% alcohol by volume; and \$2.50
2 per gallon on alcohol and spirits.

3 (2) The tax imposed by this section shall be paid only once and shall
4 be paid by the person in this state or federal area who first manufactures,
5 uses, sells, stores, purchases or receives the alcoholic liquor or cereal malt
6 beverage. The tax shall be collected and paid to the director as provided in
7 this act. If the alcoholic liquor or cereal malt beverage is manufactured and
8 sold in this state or a federal area, the tax shall be paid by the
9 manufacturer, microbrewery, microdistillery, *microwinery* or farm winery
10 producing it. If the alcoholic liquor or cereal malt beverage is imported
11 into this state by a distributor for the purpose of sale at wholesale in this
12 state or a federal area, the tax shall be paid by the distributor, and in no
13 event shall such tax be paid by the manufacturer unless the alcoholic
14 liquor or cereal malt beverage is manufactured in this state. If not to
15 exceed one gallon, or metric equivalent, per person of alcoholic liquor has
16 been purchased by a private citizen outside the borders of the United
17 States and is brought into this state by the private citizen in such person's
18 personal possession for such person's own personal use and not for sale or
19 resale, such import is lawful and no tax payment shall be due thereon.

20 (c) Manufacturers, microbreweries, microdistilleries, *microwineries*,
21 farm wineries or distributors at wholesale of alcoholic liquor or cereal malt
22 beverage shall be exempt from the payment of the gallonage tax imposed
23 on alcoholic liquor and cereal malt beverage, upon satisfactory proof,
24 including bills of lading furnished to the director by affidavit or otherwise
25 as the director requires, that the liquor or cereal malt beverage was
26 manufactured in this state but was shipped out of the state for sale and
27 consumption outside the state.

28 (d) Wines manufactured or imported solely and exclusively for
29 sacramental purposes and uses shall not be subject to the tax provided for
30 by this section.

31 (e) The tax provided for by this section is not imposed upon:

32 (1) Any alcohol or wine, whether manufactured in or imported into
33 this state, when sold to a nonbeverage user licensed by the state, for use in
34 the manufacture of any of the following when they are unfit for beverage
35 purposes: Patent and proprietary medicines and medicinal, antiseptic and
36 toilet preparations; flavoring extracts and syrups and food products;
37 scientific, industrial and chemical products; or scientific, chemical,
38 experimental or mechanical purposes; or

39 (2) the privilege of engaging in any business of interstate commerce
40 or otherwise, which business may not be made the subject of taxation by
41 this state under the constitution and statutes of the United States.

42 (f) The tax imposed by this section shall be in addition to all other
43 taxes imposed by the state of Kansas or by any municipal corporation or

1 political subdivision thereof.

2 (g) Retail sales of alcoholic liquor, sales of beer to consumers by
3 microbreweries and sales of wine to consumers by *microwineries* and farm
4 wineries shall not be subject to the tax imposed by the Kansas retailers'
5 sales tax act but shall be subject to the enforcement tax provided for in this
6 act.

7 (h) Notwithstanding any ordinance to the contrary, no city shall
8 impose an occupation or privilege tax on the business of any person, firm
9 or corporation licensed as a manufacturer, distributor, microbrewery,
10 microdistillery, *microwinery*, farm winery, retailer or nonbeverage user
11 under this act and doing business within the boundaries of the city except
12 as specifically authorized by K.S.A. 41-310, and amendments thereto.

13 (i) The director shall collect the taxes imposed by this section and
14 shall account for and remit all moneys collected from the tax to the state
15 treasurer in accordance with the provisions of K.S.A. 75-4215, and
16 amendments thereto. Upon receipt of each such remittance, the state
17 treasurer shall deposit the entire amount in the state treasury and the state
18 treasurer shall credit $\frac{1}{10}$ of the moneys collected from taxes imposed upon
19 alcohol and spirits under subsection (b)(1) to the community alcoholism
20 and intoxication programs fund created by K.S.A. 41-1126, and
21 amendments thereto, and shall credit the balance of the moneys collected
22 to the state general fund.

23 (j) If any alcoholic liquor manufactured in or imported into this state
24 is sold to a licensed manufacturer or distributor of this state to be used
25 solely as an ingredient in the manufacture of any beverage for human
26 consumption, the tax imposed upon the manufacturer or distributor shall
27 be reduced by the amount of the taxes which have been paid under this
28 section as to the alcoholic liquor so used.

29 (k) The tax provided for by this section is not imposed upon alcohol
30 or wine used by any school or college for scientific, chemical,
31 experimental or mechanical purposes or by hospitals, sanatoria or other
32 institutions caring for the sick. Any school, college, hospital, sanatorium or
33 other institution caring for the sick may import alcohol or wine for
34 scientific, chemical, experimental, mechanical or medicinal purposes by
35 making application to the director for a permit to import it and receiving
36 such a permit. Application for the permit shall be on a form prescribed and
37 furnished by the director, and a separate permit shall be required for each
38 purchase of alcohol or wine. A fee of \$2 shall accompany each application.
39 All permits shall be issued in triplicate to the applicant and shall be under
40 the seal of the office of the director. Two copies of the permit shall be
41 forwarded by the applicant to the microbrewery, microdistillery,
42 *microwinery*, farm winery, manufacturer or distributor from which the
43 alcohol or wine is purchased, and the microbrewery, microdistillery,

1 *microwinery*, farm winery, manufacturer or distributor shall return to the
2 office of the director one copy of the permit with its shipping affidavit and
3 invoice. Within 10 days after receipt of any alcohol or wine, the school,
4 college, hospital or sanatorium ordering it shall file a report in the office of
5 the director upon forms furnished by the director, showing the amount of
6 alcohol or wine received, the place where it is to be stored, from whom it
7 was received, the purpose for which it is to be used and such other
8 information as required by the director. Any school, college, hospital,
9 sanatorium or institution caring for the sick, which complies with the
10 provisions of this subsection, shall not be required to have any other
11 license to purchase alcohol or wine from a microbrewery, microdistillery,
12 *microwinery*, farm winery, manufacturer or distributor.

13 Sec. 19. K.S.A. 41-601 is hereby amended to read as follows: 41-601.
14 Every manufacturer, distributor, microbrewery ~~which that~~ sells any beer to
15 a beer distributor at wholesale, microdistillery ~~which that~~ sells any spirits
16 to a spirits distributor at wholesale and *microwinery or farm winery* ~~which~~
17 *that* sells any wine to a distributor at wholesale shall between the 1st and
18 15th day of each calendar month, make return under oath to the director of
19 all alcoholic liquor manufactured and sold by the manufacturer, distributor,
20 microbrewery, microdistillery, *microwinery or farm winery* in the course of
21 business during the preceding calendar month. In the case of a distributor,
22 the return shall also show: (a) The total amount of liquor purchased by the
23 distributor during the preceding calendar month, the names of the distillers
24 or distributors from whom purchased, the quantity of each brand and the
25 price paid therefor; and (b) the names and locations of the retailers to
26 whom alcoholic liquor was sold by the distributor during the preceding
27 calendar month, the quantity of each brand and the price charged therefor.
28 The return shall be made upon forms prescribed and furnished by the
29 director and shall contain such other information as the director reasonably
30 requires.

31 Sec. 20. K.S.A. 41-602 is hereby amended to read as follows: 41-602.
32 It is the duty of each manufacturer, distributor, microbrewery ~~which that~~
33 sells any beer to a beer distributor, microdistillery ~~which that~~ sells any
34 spirits to a spirits distributor and *microwinery and farm winery* ~~which that~~
35 sells any wine to a distributor to keep complete and accurate records of all
36 sales of liquor, wine or beer and complete and accurate records of all
37 alcoholic liquors produced, manufactured, compounded or imported. The
38 director, in the director's discretion, may prescribe reasonable and uniform
39 methods for keeping records by manufacturers, distributors,
40 microbreweries, microdistilleries, *microwineries* and farm wineries as
41 contemplated by K.S.A. 41-401 through 41-409, and amendments thereto.

42 Sec. 21. K.S.A. 41-710 is hereby amended to read as follows: 41-710.
43 (a) No retailer's license shall be issued for premises unless such premises

1 comply with all applicable zoning regulations.

2 (b) No microbrewery ~~license~~, microdistillery ~~license~~, *microwinery* or
3 farm winery license shall be issued for premises ~~which~~ *that* are zoned for
4 any purpose except agricultural, commercial or business purposes.

5 (c) No retailer's, microbrewery, microdistillery, *microwinery* or farm
6 winery license shall be issued for premises ~~which~~ *that*:

7 (1) Are located within 200 feet of any public or parochial school or
8 college or church, except that if any such school, college or church is
9 established within 200 feet of any licensed premises after the premises
10 have been licensed, the premises shall be an eligible location for retail
11 licensing; or

12 (2) do not conform to all applicable building regulations.

13 (d) Any city, by ordinance, may allow a retailer, microbrewery,
14 microdistillery, *microwinery* or farm winery to be located within a core
15 commercial district as defined by K.S.A. 2021 Supp. 12-17,122, and
16 amendments thereto, ~~which~~ *that* does not meet the distance requirements
17 established by subsection (c)(1).

18 Sec. 22. K.S.A. 41-714 is hereby amended to read as follows: 41-714.

19 (a) Any advertising of a farm winery, *microwinery*, microdistillery or
20 microbrewery shall be subject to approval by the director prior to its
21 dissemination.

22 (b) The secretary of revenue may adopt, in accordance with K.S.A.
23 41-210, and amendments thereto, rules and regulations necessary to
24 regulate and control the advertising, in any form, and display of alcoholic
25 liquor.

26 Sec. 23. K.S.A. 41-717 is hereby amended to read as follows: 41-717.

27 (a) (1) Except as provided by subsection (a)(2), no person shall sell or
28 furnish at retail and no microbrewery, microdistillery, *microwinery* or farm
29 winery shall sell to any consumer any alcoholic liquor: On credit; on a
30 passbook; on order on a store; in exchange for any goods, wares or
31 merchandise; or in payment for any services rendered. If any person
32 extends credit in violation of this subsection, the debt attempted to be
33 created shall not be recoverable at law.

34 (2) A licensed retailer may sell alcoholic liquor and nonalcoholic malt
35 beverage to a consumer, a licensed microbrewery may sell domestic beer
36 to a consumer, a licensed microdistillery may sell domestic spirits to a
37 consumer and a licensed *microwinery* or farm winery may sell domestic
38 wine to a consumer on credit pursuant to a credit card ~~which~~ *that* entitles
39 the user to purchase goods or services from at least 100 persons not related
40 to the issuer of the credit card.

41 (b) No microbrewery, microdistillery, *microwinery*, farm winery or
42 retailer of alcoholic liquor shall accept a check for payment for alcoholic
43 liquors sold by the winery or retailer to a consumer, other than the personal

1 check of the person making the purchase.

2 Sec. 24. K.S.A. 41-718 is hereby amended to read as follows: 41-718.

3 (a) No person except a manufacturer, distributor, microbrewery,
4 microdistillery, *microwinery*, farm winery or wholesaler shall fill or refill,
5 in whole or in part, any original package of alcoholic liquor with the same
6 or any other kind or quality of alcoholic liquor.

7 (b) No person shall have in the person's possession for sale at retail
8 any bottles, casks or other containers containing alcoholic liquor, except in
9 original packages.

10 (c) This section shall not apply to the sale of beer, domestic beer or
11 cereal malt beverage by a retailer in accordance with K.S.A. 41-308(c)(8),
12 and amendments thereto.

13 Sec. 25. K.S.A. 41-719 is hereby amended to read as follows: 41-719.

14 (a) (1) Except as otherwise provided herein and in K.S.A. 8-1599, and
15 amendments thereto, no person shall drink or consume alcoholic liquor on
16 the public streets, alleys, roads or highways or inside vehicles while on the
17 public streets, alleys, roads or highways.

18 (2) Alcoholic liquor may be consumed on public streets, alleys, roads,
19 sidewalks or highways when:

20 (A) A temporary permit has been issued pursuant to K.S.A. 41-2703,
21 and amendments thereto, or K.S.A. 41-1201, and amendments thereto, for
22 such an event;

23 (B) a caterer's licensee has provided the required notification for a
24 catered event pursuant to K.S.A. 41-2643, and amendments thereto; or

25 (C) a public venue, hotel, hotel caterer, drinking establishment caterer
26 or drinking establishment licensee has been authorized to extend its
27 licensed premises pursuant to K.S.A. 41-2608, and amendments thereto.

28 (3) Consumption of alcoholic liquor on public streets, alleys, roads,
29 sidewalks or highways must be approved, by ordinance or resolution, by
30 the local governing body of any city, county or township where such
31 consumption will occur. No alcoholic liquor may be consumed inside
32 vehicles while on public streets, alleys, roads or highways at any time.

33 (4) No person shall remove any alcoholic liquor from inside the
34 boundaries of an event as designated by the governing body of any city,
35 county or township, from the boundaries of a catered event or from the
36 extended licensed premises of a public venue, hotel, hotel caterer, drinking
37 establishment caterer or drinking establishment. Such boundaries shall be
38 clearly marked by signs, a posted map or other means which reasonably
39 identify the area in which alcoholic liquor may be possessed or consumed.

40 (b) Alcoholic liquor may be consumed within common consumption
41 areas designated by a city or county on public streets, alleys, roads,
42 sidewalks or highways pursuant to K.S.A. 41-2659, and amendments
43 thereto, except that no alcoholic liquor may be consumed inside vehicles

1 while on public streets, alleys, roads or highways within a common
2 consumption area. Further, no person shall remove any alcoholic liquor
3 from inside the boundaries of the common consumption area which shall
4 be clearly designated by a physical barrier.

5 (c) No person shall drink or consume alcoholic liquor on private
6 property except:

7 (1) On premises where the sale of liquor by the individual drink is
8 authorized by the club and drinking establishment act;

9 (2) upon private property by a person occupying such property as an
10 owner or lessee of an owner and by the guests of such person, if no charge
11 is made for the serving or mixing of any drink or drinks of alcoholic liquor
12 or for any substance mixed with any alcoholic liquor and if no sale of
13 alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto,
14 takes place;

15 (3) in a lodging room of any hotel, motel or boarding house by the
16 person occupying such room and by the guests of such person, if no charge
17 is made for the serving or mixing of any drink or drinks of alcoholic liquor
18 or for any substance mixed with any alcoholic liquor and if no sale of
19 alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto,
20 takes place;

21 (4) in a private dining room of a hotel, motel or restaurant, if the
22 dining room is rented or made available on a special occasion to an
23 individual or organization for a private party and if no sale of alcoholic
24 liquor in violation of K.S.A. 41-803, and amendments thereto, takes place;

25 (5) on the premises of a manufacturer, microbrewery, microdistillery,
26 *microwinery* or farm winery, if authorized by K.S.A. 41-305, 41-308a, 41-
27 308b or K.S.A., 41-354 or *section 1*, and amendments thereto;

28 (6) on the premises of an unlicensed business as authorized pursuant
29 to subsection (j); or

30 (7) within a common consumption area established pursuant to
31 K.S.A. 41-2659, and amendments thereto.

32 (d) No person shall drink or consume alcoholic liquor on public
33 property except:

34 (1) On real property leased by a city to others under the provisions of
35 K.S.A. 12-1740 through 12-1749, and amendments thereto, if such real
36 property is actually being used for hotel or motel purposes or purposes
37 incidental thereto.

38 (2) In any state-owned or operated building or structure, and on the
39 surrounding premises, which is furnished to and occupied by any state
40 officer or employee as a residence.

41 (3) On premises licensed as a club or drinking establishment and
42 located on property owned or operated by an airport authority created
43 pursuant to chapter 27 of the Kansas Statutes Annotated, and amendments

1 thereto, or established by a city.

2 (4) On the state fair grounds on the day of any race held thereon
3 pursuant to the Kansas parimutuel racing act.

4 (5) On the state fairgrounds, if: (A) The alcoholic liquor is domestic
5 beer or wine or wine imported under ~~K.S.A. 41-308a(e)~~ *section 4*, and
6 amendments thereto, and is consumed only for purposes of judging
7 competitions; (B) the alcoholic liquor is wine or beer and is sold and
8 consumed during the days of the Kansas state fair on premises leased by
9 the state fair board to a person who holds a temporary permit issued
10 pursuant to K.S.A. 41-2703, and amendments thereto, or K.S.A. 41-1201,
11 and amendments thereto, authorizing the sale and serving of such wine or
12 beer, or both; or (C) the alcoholic liquor is consumed on nonfair days in
13 conjunction with bona fide scheduled events involving not less than 75
14 invited guests and the state fair board, in its discretion, authorizes the
15 consumption of the alcoholic liquor, subject to any conditions or
16 restrictions the board may require.

17 (6) In the state historical museum provided for by K.S.A. 76-2036,
18 and amendments thereto, on the surrounding premises and in any other
19 building on such premises, as authorized by rules and regulations of the
20 state historical society.

21 (7) On the premises of any state-owned historic site under the
22 jurisdiction and supervision of the state historical society, on the
23 surrounding premises and in any other building on such premises, as
24 authorized by rules and regulations of the state historical society.

25 (8) In a lake resort within the meaning of K.S.A. 32-867, and
26 amendments thereto, on state-owned or leased property.

27 (9) On the premises of any Kansas national guard regional training
28 center or armory, and any building on such premises, as authorized by
29 rules and regulations of the adjutant general and upon approval of the
30 Kansas military board.

31 (10) On the premises of any land or waters owned or managed by the
32 department of wildlife, parks and tourism, except as otherwise prohibited
33 by rules and regulations of the department adopted by the secretary
34 pursuant to K.S.A. 32-805, and amendments thereto.

35 (11) On property exempted from this subsection pursuant to
36 subsection (e), (f), (g), (h) or (i).

37 (12) On the premises of the state capitol building or on its
38 surrounding premises during an official state function of a nonpartisan
39 nature that has been approved by the legislative coordinating council.

40 (13) On premises of a common consumption area established by
41 K.S.A. 41-2659, and amendments thereto.

42 (e) Any city may exempt, by ordinance, from the provisions of
43 subsection (d) specified property the title of which is vested in such city.

1 (f) The board of county commissioners of any county may exempt,
2 by resolution, from the provisions of subsection (d) specified property the
3 title of which is vested in such county.

4 (g) The state board of regents may exempt from the provisions of
5 subsection (d) the Sternberg museum on the campus of Fort Hays state
6 university, or other specified property which is under the control of such
7 board and which is not used for classroom instruction, where alcoholic
8 liquor may be consumed in accordance with policies adopted by such
9 board.

10 (h) The board of regents of Washburn university may exempt from
11 the provisions of subsection (d) the Mulvane art center and the Bradbury
12 Thompson alumni center on the campus of Washburn university, and other
13 specified property the title of which is vested in such board and which is
14 not used for classroom instruction, where alcoholic liquor may be
15 consumed in accordance with policies adopted by such board.

16 (i) The board of trustees of a community college may exempt from
17 the provisions of subsection (d) specified property which is under the
18 control of such board and which is not used for classroom instruction,
19 where alcoholic liquor may be consumed in accordance with policies
20 adopted by such board.

21 (j) (1) An unlicensed business may authorize patrons or guests of
22 such business to consume alcoholic liquor on the premises of such
23 business provided:

24 (A) Such alcoholic liquor is in the personal possession of the patron
25 and is not sold, offered for sale or given away by the owner of such
26 business or any employees thereof;

27 (B) possession and consumption of alcoholic liquor shall not be
28 authorized between the hours of 12 a.m. and 9 a.m.;

29 (C) the business, or any owner thereof, shall not have had a license
30 issued under either the Kansas liquor control act or the club and drinking
31 establishment act revoked for any reason; and

32 (D) no charge of any sort may be made by the business for the
33 privilege of possessing or consuming alcoholic liquor on the premises, or
34 for mere entry onto the premises.

35 (2) It shall be a violation of this section for any unlicensed business to
36 authorize the possession or consumption of alcoholic liquor by a patron of
37 such business when such authorization is not in accordance with the
38 provisions of this subsection.

39 (3) For the purposes of this subsection, "patron" means a natural
40 person who is a customer or guest of an unlicensed business.

41 (k) Violation of any provision of this section is a misdemeanor
42 punishable by a fine of not less than \$50 or more than \$200 or by
43 imprisonment for not more than six months, or both.

1 (l) For the purposes of this section, "common consumption area" has
2 the same meaning as that term is defined in K.S.A. 41-2659, and
3 amendments thereto.

4 Sec. 26. K.S.A. 41-803 is hereby amended to read as follows: 41-803.

5 (a) It shall be unlawful for any person to own, maintain, operate or
6 conduct, either directly or indirectly, an open saloon.

7 (b) As used in this section, "open saloon" means any place, public or
8 private, where alcoholic liquor is sold or offered or kept for sale by the
9 drink or in any quantity of less than 100 milliliters (3.4 fluid ounces) or
10 sold or offered or kept for sale for consumption on the premises where
11 sold, but does not include any premises where the sale of liquor is
12 authorized by the club and drinking establishment act or, on and after
13 January 1, 1988, any manufacturer, microbrewery, microdistillery,
14 *microwinery* or farm winery, if authorized by K.S.A. 41-305, 41-308a, 41-
15 308b or K.S.A., 41-354 or *section 1*, and amendments thereto.

16 (c) Any violation of the provisions of this section is a misdemeanor
17 punishable by a fine of not more than \$500 and by imprisonment for not
18 more than 90 days.

19 Sec. 27. K.S.A. 41-901 is hereby amended to read as follows: 41-901.

20 (a) No person shall manufacture, import for distribution as a distributor at
21 wholesale or distribute or sell alcoholic liquor or cereal malt beverage at
22 any place within the state without having first obtained a valid license
23 therefor under the provisions of this act or under K.S.A. 41-2702, and
24 amendments thereto. No person shall obtain a license to carry on the
25 business authorized by the license as agent for another, obtain a license by
26 fraud or make any false statement or otherwise violate any of the
27 provisions of this act in obtaining any license hereunder. No person having
28 obtained a license hereunder shall violate any of the provisions of this act
29 with respect to the manufacture, possession, distribution or sale of
30 alcoholic liquor or cereal malt beverage; or with respect to the
31 maintenance of the licensed premises.

32 (b) Violation of subsection (a) shall be punishable as follows, except
33 where other penalties are specifically provided by law:

34 (1) For a first offense, by a fine of not more than \$500; and

35 (2) for a second or subsequent offense, by a fine of not more than
36 \$1,000 or by imprisonment for not more than six months, or both.

37 (c) Each day any person engages in business as a manufacturer,
38 distributor, microbrewery, microdistillery, *microwinery*, farm winery or
39 retailer in violation of the provisions of this act shall constitute a separate
40 offense.

41 (d) Any license obtained to carry on the business as agent for another
42 or any license obtained by fraud or by false statements shall be revoked by
43 the director. When a license has been revoked for obtaining a license to

1 carry on the business authorized by the license as agent for another, or
2 obtained a license by fraud or by any false statement, all alcoholic liquor
3 in the possession of the person who procured the license shall be forfeited
4 and sold and the proceeds of the sale shall be paid to the county treasurer
5 of the county where the alcoholic liquor was located. During the pendency
6 of any appeal from any order revoking a license, the director may obtain
7 an order from the district court of the county where the alcoholic liquor is
8 located, restraining the sale or disposal of the alcoholic liquor. When an
9 order revoking any license is issued by the director, the director shall
10 forthwith forward by registered mail a certified copy of the order revoking
11 the license under the seal of the director to the county attorney of the
12 county where the alcoholic liquor is located.

13 (e) Within 15 days after the order of revocation becomes final, the
14 county attorney shall institute, against the person who procured the
15 license, a civil action under the code of civil procedure in the district court
16 of the county in the name of the state of Kansas on the relation of the
17 county attorney to forfeit all alcoholic liquor. Summons shall be served as
18 provided by the code of civil procedure upon the person who procured the
19 license. Upon the return day of the summons issued or as soon after as
20 convenient to the court, an order shall be entered by the court forfeiting the
21 alcoholic liquor to the state of Kansas and ordering it to be sold by the
22 sheriff of the county in which the forfeiture occurred. The order shall fix
23 the time and place of sale and the method and manner in which the sale
24 shall be held, together with notice of the sale as the court directs. After
25 payment of all costs of the action, including a reasonable fee for the
26 county attorney, the balance remaining shall be paid to the state treasurer
27 pursuant to K.S.A. 20-2801, and amendments thereto.

28 Sec. 28. K.S.A. 41-1101 is hereby amended to read as follows: 41-
29 1101. (a) No distributor licensed under this act shall purchase any
30 alcoholic liquor from any manufacturer, owner of alcoholic liquor at the
31 time it becomes a marketable product, exclusive agent of such
32 manufacturer or owner, microbrewery, microdistillery, *microwinery*, farm
33 winery or distributor of alcoholic liquor bottled in a foreign country either
34 within or without this state, unless the manufacturer, owner, exclusive
35 agent, microbrewery, microdistillery, *microwinery*, farm winery or
36 distributor files with the director a written statement sworn to by the
37 manufacturer, owner, exclusive agent, microbrewery, microdistillery,
38 *microwinery*, farm winery or distributor or, in case of a corporation, one of
39 its principal officers, agreeing to sell any of the brands or kinds of
40 alcoholic liquor manufactured or distributed by the manufacturer, owner,
41 exclusive agent, microbrewery, microdistillery, *microwinery*, farm winery
42 or distributor to any distributor licensed in this state and having a franchise
43 to distribute the alcoholic liquor pursuant to K.S.A. 41-410, and

1 amendments thereto, and to make such sales to all such licensed
2 distributors in this state at the same current price and without
3 discrimination. Each manufacturer, owner, exclusive agent, microbrewery,
4 microdistillery, *microwinery* or farm winery shall provide to each
5 distributor written notice not less than 45 days before any change in the
6 current price of any spirits or wine ~~which~~ *that* such manufacturer, owner,
7 exclusive agent, microbrewery, microdistillery, *microwinery* or farm
8 winery sells to such distributor. If any manufacturer, owner, exclusive
9 agent, microbrewery, microdistillery, *microwinery*, farm winery or
10 distributor making the agreement violates the agreement by refusing to sell
11 such alcoholic liquor to any such franchised licensed distributor in this
12 state or discriminates in current prices among such franchised licensed
13 distributors making or attempting to make purchases of alcoholic liquor
14 from the manufacturer, owner, exclusive agent, microbrewery,
15 microdistillery, *microwinery*, farm winery or distributor, the director shall
16 notify, by registered mail, each such franchised licensed distributor in this
17 state of the violation. Thereupon, it shall be unlawful for a franchised
18 licensed distributor in this state to purchase any alcoholic liquor from the
19 manufacturer, owner, exclusive agent, microbrewery, microdistillery,
20 *microwinery*, farm winery or distributor. If thereafter such a franchised
21 licensed distributor purchases any alcoholic liquor from the manufacturer,
22 owner, exclusive agent, microbrewery, microdistillery, *microwinery*, farm
23 winery or distributor, such franchised distributor's license shall be revoked
24 by the director. If any manufacturer, owner, exclusive agent,
25 microbrewery, microdistillery, *microwinery*, farm winery or distributor of
26 alcoholic liquor bottled in a foreign country, making any agreement
27 hereunder, does not have a sufficient supply of alcoholic liquor of any of
28 the brands or kinds which the manufacturer, owner, exclusive agent,
29 microbrewery, microdistillery, *microwinery*, farm winery or distributor
30 manufactures or distributes to supply the demands of all licensed
31 distributors having a franchise to distribute such alcoholic liquor, the
32 manufacturer, owner, exclusive agent, microbrewery, microdistillery,
33 *microwinery*, farm winery or distributor may ration such alcoholic liquor
34 and apportion the available supply among such franchised licensed
35 distributors purchasing or attempting to purchase it, in accordance with a
36 plan ~~which~~ *that* shall be subject to the approval of the director.

37 (b) No retailer licensed under this act shall purchase any alcoholic
38 liquor from any distributor licensed under this act unless the distributor
39 files with the director a written statement sworn to by the distributor, or in
40 case of a corporation by one of its principal officers, agreeing to sell any of
41 the brands or kinds of alcoholic liquor distributed by the distributor and to
42 provide service in connection therewith to any licensed retailer whose
43 licensed premises are located within the geographic territory of the

1 distributor's franchise for the alcoholic liquor, unless written approval to
2 do otherwise is obtained from the director, and to make such sales to all
3 such licensed retailers at the same current bottle, sleeve and case price and
4 without discrimination. For purposes of this subsection the "same current
5 bottle, sleeve and case price" for spirits and wine means a price effective
6 for a specified period as designated by the distributor on or before the first
7 day of each month. If any distributor making the agreement violates the
8 agreement by refusing to sell or provide service to any such licensed
9 retailer in this state without written approval of the director or
10 discriminates in current prices among such licensed retailers making or
11 attempting to make purchases of alcoholic liquor from the distributor, the
12 director may revoke the license of the distributor. If any licensed
13 distributor making any agreement hereunder does not have a sufficient
14 supply of alcoholic liquor of any of the brands or kinds ~~which~~ that the
15 distributor distributes to supply the demands of all such licensed retailers,
16 the distributor may ration such alcoholic liquor and apportion the available
17 supply among such licensed retailers purchasing or attempting to purchase
18 the same, in accordance with a plan ~~which~~ that shall be subject to the
19 approval of the director.

20 (c) (1) No club or drinking establishment licensed in this state shall
21 purchase any wine or beer from any distributor licensed under this act
22 unless the distributor files with the director a written statement sworn to by
23 the distributor, or in case of a corporation by one of its principal officers,
24 agreeing to sell any of the brands or kinds of wine or beer distributed by
25 the distributor to those clubs and drinking establishments to which the
26 distributor is authorized to sell such wine or beer and to which the
27 distributor desires to sell such wine or beer, unless written approval to do
28 otherwise is obtained from the director and to make such sales to all such
29 licensed clubs or drinking establishments at the same current bottle and
30 case price and without discrimination. If any distributor making the
31 agreement violates the agreement by refusing to sell to any such licensed
32 club or drinking establishment in this state without written approval of the
33 director or discriminates in current prices among such licensed clubs or
34 drinking establishments making or attempting to make purchases of wine
35 or beer from the distributor, the director may revoke the license of the
36 distributor. If any licensed distributor making any agreement hereunder
37 does not have a sufficient supply of wine or beer of any of the brands or
38 kinds ~~which~~ that the distributor distributes to supply the demands of all
39 such licensed clubs or drinking establishments, the distributor may ration
40 such wine or beer and apportion the available supply among such licensed
41 clubs or drinking establishments purchasing or attempting to purchase the
42 same, in accordance with a plan ~~which~~ that shall be subject to the approval
43 of the director.

1 (2) For the purposes of this subsection, a delivery charge shall not be
2 considered a part of the price of wine or beer sold by a distributor.

3 (d) No retailer licensed under K.S.A. 41-2701 et seq., and
4 amendments thereto, shall purchase any cereal malt beverage from any
5 distributor licensed under this act unless the distributor files with the
6 director a written statement sworn to by the distributor, or in case of a
7 corporation by one of its principal officers, agreeing to sell any of the
8 brands or kinds of cereal malt beverage distributed by the distributor to
9 those retailers to which the distributor is authorized to sell such cereal malt
10 beverage, unless written approval to do otherwise is obtained from the
11 director, and to make such sales to all such licensed retailers at the same
12 current price and without discrimination. If any distributor making the
13 agreement violates the agreement by refusing to sell to any such licensed
14 retailer in this state without written approval of the director or
15 discriminates in current prices among such licensed retailers making or
16 attempting to make purchases of cereal malt beverage from the distributor,
17 the director may revoke the license of the distributor. If any licensed
18 distributor making any agreement hereunder does not have a sufficient
19 supply of cereal malt beverage of any of the brands or kinds ~~which~~ that the
20 distributor distributes to supply the demands of all such licensed retailers,
21 the distributor may ration such cereal malt beverage and apportion the
22 available supply among such licensed retailers purchasing or attempting to
23 purchase the same, in accordance with a plan ~~which~~ that shall be subject to
24 the approval of the director.

25 (e) No distributor shall sell alcoholic liquor or cereal malt beverage to
26 a retailer licensed under the Kansas liquor control act, to a club, drinking
27 establishment or caterer licensed under the club and drinking
28 establishment act or to a retailer licensed under K.S.A. 41-2702, and
29 amendments thereto, at a discount for multiple case lots.

30 Sec. 29. K.S.A. 41-1201 is hereby amended to read as follows: 41-
31 1201. (a) A temporary permit shall allow the permit holder to offer for
32 sale, sell and serve alcoholic liquor or cereal malt beverage for
33 consumption on licensed or unlicensed premises, or on premises that are
34 otherwise subject to a separate temporary permit, that may be open to the
35 public, subject to the terms of such permit. A temporary permit shall also
36 authorize the permit holder to sell, in accordance with rules and
37 regulations adopted by the secretary, alcoholic liquor at a charitable
38 auction, or one or more limited issue porcelain containers containing
39 alcoholic liquor.

40 (b) A temporary permit holder may charge a fee for entrance into the
41 premises described in the permit, or any portion thereof.

42 (c) The director may issue a temporary permit to any one or more
43 persons or organizations applying for such a permit, in accordance with

1 rules and regulations of the secretary. The permit shall be issued in the
2 names of the persons or organizations to which it is issued.

3 (d) Applications for temporary permits shall be required to be filed
4 with the director not less than 14 days before the event for which the
5 permit is sought, unless the director waives such requirement for good
6 cause. The application shall be upon a form prescribed by the director.
7 Each application shall be electronically submitted and accompanied by a
8 non-refundable permit fee of \$25 for each day for which the permit is
9 issued, and such fee shall be paid by a check or credit card in the full
10 amount thereof. All permit fees collected by the director pursuant to this
11 section shall be remitted to the state treasurer in accordance with the
12 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
13 each such remittance, the state treasurer shall deposit the entire amount in
14 the state treasury to the credit of the state general fund.

15 (e) Each application for a temporary permit shall specify the premises
16 for which such permit is issued, including a diagram of the premises
17 covered by the temporary permit. The diagram shall clearly show the
18 boundaries of the premises, entrances to and exits from the premises and
19 the area in which the service of alcoholic liquor or cereal malt beverage
20 would take place. A temporary permit shall be issued only for premises
21 where the city, county or township zoning code allows the use for which
22 the permit is issued. No temporary permit shall be issued for premises that
23 are not located in a county where the qualified electors of the county:

24 (1) (A) Approved, by a majority vote of those voting thereon, to
25 adopt the proposition amending section 10 of article 15 of the constitution
26 of the state of Kansas at the general election in November, 1986; or

27 (B) have approved a proposition to allow the sale of liquor by the
28 individual drink in public places within the county at an election pursuant
29 to K.S.A. 41-2646, and amendments thereto; and

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

33 (f) (1) (A) A temporary permit may be issued for the consumption of
34 alcoholic liquor or cereal malt beverage on a city, county or township
35 street, alley, road, sidewalk or highway for an event if: (i) Such street,
36 alley, road, sidewalk or highway is closed to motor vehicle traffic by the
37 governing body of such city, county or township for such event; (ii) a
38 written request for such consumption and possession of such alcoholic
39 liquor or cereal malt beverage has been made to the local governing body;
40 and (iii) the event has been approved by the governing body of such city,
41 county or township by ordinance or resolution.

42 (B) The boundaries of any such event shall be clearly marked by
43 signs, a posted map or other means that reasonably identify the area in

1 which alcoholic liquor or cereal malt beverage may be possessed or
2 consumed at such event.

3 (2) Drinking establishments that are immediately adjacent to, or
4 located within the licensed premises of an event, for which a temporary
5 permit has been issued and the consumption of alcoholic liquor or cereal
6 malt beverage on public property has been approved, may request that the
7 drinking establishment's licensed premises be extended into and made a
8 part of the licensed premises of the event, for the duration of the temporary
9 permit issued for such event.

10 (3) Each licensee selling alcoholic liquor or cereal malt beverage for
11 consumption on the premises of an event for which a temporary permit has
12 been issued shall be liable for violations of all laws governing the sale and
13 consumption of alcoholic liquor or cereal malt beverage.

14 (4) Each temporary permit holder selling alcoholic liquor or cereal
15 malt beverage for consumption on the permit premises shall be liable for
16 all violations of laws governing the sale and consumption of alcoholic
17 liquor and cereal malt beverage that occur in areas covered by multiple
18 temporary permits.

19 (g) (1) Except as otherwise provided in this subsection, a temporary
20 permit shall be issued for a period of time not to exceed three consecutive
21 days, the dates and hours of which shall be specified in the permit. An
22 applicant may not be issued more than four temporary permits in a
23 calendar year.

24 (2) The director may issue a sufficient number of temporary permits
25 as required by the state fair board, valid for the entire period of time of the
26 Kansas state fair that authorizes the sale of wine in its original, unopened
27 container and the serving by the drink of wine, beer or cereal malt
28 beverage, or any combination thereof, on the state fairgrounds on premises
29 specified in the temporary permit, by a person who has entered into an
30 agreement with the state fair board for that purpose subject to the
31 conditions imposed by the state fair board. Nothing in this paragraph shall
32 be construed to limit the number of temporary permits the director may
33 issue for the sale of wine, beer or cereal malt beverage, or any combination
34 thereof, on the state fairgrounds consistent with the requirements of the
35 state fair board.

36 (3) For an event approved by the governing body of a city, county or
37 township pursuant to subsection (e)(1), the director may issue a temporary
38 permit that may, at the director's discretion, be valid for the entire period of
39 such event, but in no event shall such permit be issued for a period of time
40 that exceeds 30 consecutive days.

41 (h) An application for a temporary permit may be rejected by the
42 director if:

43 (1) The applicant has been granted four permits in the current

1 calendar year;

2 (2) the application was not filed with the director at least 14 days
3 prior to the event;

4 (3) the applicant, or any officer, director, partner, registered agent,
5 trustee, manager or owner of the applicant has previously owned or
6 operated any entity holding a temporary permit, club, drinking
7 establishment or caterer's license, had such permit or license surrendered,
8 and at the time such permit or license was surrendered had been ordered to
9 appear and show cause why the permit or license should not be revoked or
10 suspended;

11 (4) the applicant has designated an area for an event that was the
12 subject of the order to appear and show cause as set forth in paragraph (3),
13 and it appears that the new application for a temporary permit covering the
14 premises is an attempt to avoid any possible remedial action taken by the
15 director against the former permit or license holder; or

16 (5) the applicant has had a license or permit revoked under the club
17 and drinking establishment act, or has been convicted of a violation of the
18 Kansas liquor control act, the club and drinking establishment act, the
19 Kansas cereal malt beverage act or the provisions of K.S.A. 79-41a01 et
20 seq., and amendments thereto.

21 (i) (1) A temporary permit holder may purchase and possess alcoholic
22 liquor or cereal malt beverage for resale for a period of three days prior to
23 the first day of sale of such alcoholic liquor or cereal malt beverage. A
24 distributor may, without any further permission from the director, deliver
25 such alcoholic liquor or cereal malt beverage to the permit premises.

26 (2) If a licensee has sold alcoholic liquor or cereal malt beverage to a
27 temporary permit holder, and a distributor directly delivers such alcoholic
28 liquor or cereal malt beverage to such temporary permit holder, but such
29 licensee's normal hours of operation make immediate payment to the
30 distributor impossible, the licensee may pay the retailer and the retailer
31 may pay the distributor for such alcoholic liquor or cereal malt beverage
32 within 48 hours of the sale.

33 (3) Within three business days after the end of an event conducted
34 pursuant to a temporary permit, the temporary permit holder may sell back
35 to the retailer, *microwinery* or farm winery from whom alcoholic liquor or
36 cereal malt beverage was purchased any alcoholic liquor or cereal malt
37 beverage sold to the temporary permit holder for such event.

38 (4) Upon written permission from the director and after four business
39 days after the end of an event conducted pursuant to a temporary permit,
40 the temporary permit holder may sell back to the licensee from whom
41 alcoholic liquor or cereal malt beverage was purchased any alcoholic
42 liquor or cereal malt beverage sold to the temporary permit holder for such
43 event.

1 (j) A temporary permit shall not be transferable or assignable.

2 (k) Each temporary permit holder shall not employ or use the services
3 of any person:

4 (1) Who is under 18 years of age to serve alcoholic liquor or cereal
5 malt beverage;

6 (2) who is under 21 years of age to mix or dispense drinks containing
7 alcoholic liquor or cereal malt beverage;

8 (3) who is under 21 years of age and not supervised by the temporary
9 permit holder or an employee who is at least 21 years of age;

10 (4) who has been convicted of a felony or of any crime involving a
11 morals charge to dispense, mix or serve alcoholic liquor or cereal malt
12 beverage; or

13 (5) who has been convicted within the previous two years of a
14 violation of any intoxicating liquor law of this state, any other state or the
15 United States to dispense, mix or serve alcoholic liquor or cereal malt
16 beverage.

17 Sec. 30. K.S.A. 41-1202 is hereby amended to read as follows: 41-
18 1202. (a) A temporary permit holder shall only purchase alcoholic liquor
19 or cereal malt beverage from a retailer, a *microwinery* or a farm winery
20 and may receive delivery of such alcoholic liquor or cereal malt beverage
21 from a distributor.

22 (b) Temporary permit holders shall only purchase alcoholic liquor or
23 cereal malt beverage from a retailer who possesses a federal wholesaler's
24 basic permit and who has a sign on display at the licensed premises that
25 states that the licensee is a "Wholesale Liquor Dealer Under Federal Law."
26 All alcoholic liquor or cereal malt beverage purchased on any one day
27 shall be removed from the licensed premises of the retailer, *microwinery* or
28 farm winery within 48 hours. Temporary permit holders shall not
29 warehouse any alcoholic liquor or cereal malt beverage on the licensed
30 premises of any retailer, *microwinery* or farm winery for more than 48
31 hours.

32 (c) Each temporary permit holder, when purchasing alcoholic liquor or
33 cereal malt beverage from a retailer, *microwinery* or farm winery, shall
34 obtain and keep for at least one year from the date of purchase a sales
35 receipt that contains the following information:

36 (1) The date of purchase;

37 (2) the name and address of the retailer, *microwinery* or farm winery;

38 (3) the name and address of the temporary permit holder as it appears
39 on the temporary permit;

40 (4) the brand, size, proof and amount of all alcoholic liquor or cereal
41 malt beverage purchased; and

42 (5) the subtotal of the cost of all alcoholic liquor or cereal malt
43 beverage purchased, and the total cost of such purchase, including

1 enforcement tax.

2 (d) Each temporary permit holder shall be responsible for all
3 violations of the club and drinking establishment act by the following
4 people while on the permit premises:

5 (1) An employee of the temporary permit holder, or of any person
6 contracting with the temporary permit holder to provide services or food in
7 connection with an event; or

8 (2) any individual dispensing, mixing or serving alcoholic liquor or
9 cereal malt beverage at an event.

10 (e) Except for a temporary permit holder who has obtained such
11 permit for the sale of alcoholic liquor at a charitable auction or for the sale
12 of one or more limited issue porcelain containers containing alcoholic
13 liquor, no temporary permit holder shall sell alcoholic liquor or cereal malt
14 beverage for removal from or consumption off the licensed premises,
15 except that alcoholic liquor or cereal malt beverage may be removed to a
16 drinking establishment that has extended its premises into the event area in
17 accordance with K.S.A. 41-2608, and amendments thereto.

18 (f) The boundary of any premises covered by a temporary permit
19 shall be marked by a line of demarcation.

20 Sec. 31. K.S.A. 41-2623 is hereby amended to read as follows: 41-
21 2623. (a) No license shall be issued under the provisions of this act to:

22 (1) Any person described in K.S.A. 41-311(a)(1), (2), (4), (5), (6),
23 (7), (8), (9), (12), (13) or (15), and amendments thereto, except that the
24 provisions of K.S.A. 41-311(a)(7), and amendments thereto, shall not
25 apply to nor prohibit the issuance of a license for a class A club to an
26 officer of a post home of a congressionally chartered service or fraternal
27 organization, or a benevolent association or society thereof.

28 (2) A person who has had the person's license revoked for cause
29 under the provisions of this act.

30 (3) A person who has a beneficial interest in the manufacture,
31 preparation or wholesaling or the retail sale of alcoholic liquor or cereal
32 malt beverage or a beneficial interest in any other club, drinking
33 establishment or caterer licensed hereunder, except that:

34 (A) A license for premises located in a hotel may be granted to a
35 person who has a beneficial interest in one or more other clubs or drinking
36 establishments licensed hereunder if such other clubs or establishments are
37 located in hotels.

38 (B) A license for a club or drinking establishment that is a restaurant
39 may be issued to a person who has a beneficial interest in other clubs or
40 drinking establishments that are restaurants.

41 (C) A caterer's license may be issued to a person who has a beneficial
42 interest in a club or drinking establishment and a license for a club or
43 drinking establishment may be issued to a person who has a beneficial

1 interest in a caterer.

2 (D) A license for a class A club may be granted to an organization of
 3 which an officer, director or board member is a distributor or retailer
 4 licensed under the liquor control act if such distributor or retailer sells no
 5 alcoholic liquor to such club.

6 (E) Any person who has a beneficial interest in a microbrewery,
 7 microdistillery, *microwinery* or farm winery licensed pursuant to the
 8 Kansas liquor control act may be issued any or all of the following: (1)
 9 Class B club license; (2) drinking establishment license; and (3) caterer's
 10 license.

11 (F) Any person who has a beneficial interest in a manufacturer
 12 licensed pursuant to the Kansas liquor control act may be issued one
 13 drinking establishment license.

14 (4) A copartnership, unless all of the copartners are qualified to
 15 obtain a license.

16 (5) A corporation, if any officer, manager or director thereof, or any
 17 stockholder owning in the aggregate more than 5% of the common or
 18 preferred stock of such corporation would be ineligible to receive a license
 19 hereunder for any reason other than citizenship requirements.

20 (6) A corporation, if any officer, manager or director thereof, or any
 21 stockholder owning in the aggregate more than 5% of the common or
 22 preferred stock of such corporation, has been an officer, manager or
 23 director, or a stockholder owning in the aggregate more than 5% of the
 24 common or preferred stock, of a corporation that:

25 (A) Has had a license revoked under the provisions of the club and
 26 drinking establishment act; or

27 (B) has been convicted of a violation of the club and drinking
 28 establishment act or the cereal malt beverage laws of this state.

29 (7) A trust, if any grantor, beneficiary or trustee would be ineligible to
 30 receive a license under this act for any reason, except that the provisions of
 31 K.S.A. 41-311(a)(6), and amendments thereto, shall not apply in
 32 determining whether a beneficiary would be eligible for a license.

33 (b) No club or drinking establishment license shall be issued under
 34 the provisions of the club and drinking establishment act to a person who
 35 does not own the premises for which a license is sought, or does not, at the
 36 time the application is submitted, have a written lease thereon, except that
 37 an applicant seeking a license for a premises that is owned by a city or
 38 county, or is a stadium, arena, convention center, theater, museum,
 39 amphitheater or other similar premises may submit an executed agreement
 40 to provide alcoholic beverage services at the premises listed in the
 41 application in lieu of a lease.

42 Sec. 32. K.S.A. 65-689 is hereby amended to read as follows: 65-689.

43 (a) It shall be unlawful for any person to engage in the business of

1 conducting a food establishment or food processing plant unless such
2 person shall have in effect a valid license therefor issued by the secretary.

3 (b) Applications for such licenses shall be made on forms prescribed
4 by the secretary, and each such application shall be accompanied by an
5 application fee and by a license fee. Prior to the issuance of any such
6 license, the secretary shall inspect or cause to be inspected the food
7 establishment or food processing plant designated in the application, to
8 determine that it complies with rules and regulations adopted pursuant to
9 the food, drug and cosmetic act, and amendments thereto. If the food
10 establishment or food processing plant is found to be in compliance, and
11 the completed application and accompanying fees have been submitted,
12 the secretary shall issue the license. If the food establishment or food
13 processing plant is found not to be in compliance, the secretary shall deny
14 the application for a license after providing notice and opportunity for a
15 hearing in accordance with the provisions of the Kansas administrative
16 procedure act.

17 (c) Every license issued hereunder shall be displayed conspicuously
18 in the food establishment or food processing plant for which it is issued,
19 and no such license shall be transferable to any other person or location.
20 Whenever any such license is lost, destroyed or mutilated, a duplicate
21 license shall be issued to any otherwise qualified licensee upon application
22 therefor and the payment of a fee in the amount of \$5.

23 (d) A license shall not be required by:

24 (1) A plant or facility registered or licensed by the department of
25 agriculture pursuant to article 7 of chapter 65 of the Kansas Statutes
26 Annotated, and amendments thereto, or licensed or registered by the
27 department of agriculture pursuant to article 6a of chapter 65 of the Kansas
28 Statutes Annotated, and amendments thereto, shall not be required to
29 obtain a separate license pursuant to this section if the inspections
30 conducted under the respective acts encompass all operations of the
31 facility.

32 (2) A registered nonprofit organization that provides food without
33 charge solely to people who are food insecure, including, but not limited
34 to, soup kitchens and food pantries.

35 (3) A location where prepackaged individual meals are distributed to
36 persons eligible under the federal older Americans act.

37 (4) A person who produces food for distribution directly to the end
38 consumer, if such food does not require time and temperature control for
39 safety or specialized processing, as determined by the secretary.

40 (5) A person who serves food exclusively on interstate conveyances
41 or common carriers.

42 (6) A person operating a food establishment for less than seven days
43 in any calendar year.

1 (7) A person who prepares, serves or sells food for the sole purpose
2 of soliciting funds to be used for community or humanitarian purposes or
3 educational or youth activities.

4 (8) A person operating a food vending machine, if the food vending
5 machine company:

6 (A) Is licensed as a food establishment, or if located in another state,
7 licensed according to the laws of such state;

8 (B) maintains, and makes available to the secretary, a current record
9 of the location of each food vending machine it operates or services; and

10 (C) conspicuously displays the company name, phone number and
11 any additional information the secretary may require on each such vending
12 machine.

13 (9) A person providing only complimentary coffee to its patrons
14 whose primary business is unrelated to operating a food establishment or
15 food processing plant.

16 (10) A person operating a farm winery *or microwinery*, as *such terms*
17 *are* defined in K.S.A. 41-102, and amendments thereto, who does not
18 produce or offer any food products other than wine produced at such farm
19 winery *or microwinery*.

20 (11) A retailer, as defined in K.S.A. 41-102, and amendments thereto,
21 that sells only alcoholic liquors and cereal malt beverages.

22 (12) A food establishment that sells or offers for sale only packaged
23 foods that are non-hazardous and are received directly from a licensed
24 food production facility in packaged form, if such food establishment
25 contains less than 200 cubic feet as measured pursuant to K.S.A. 65-
26 688(e), and amendments thereto.

27 (13) A person who provides food samples, without charge, to
28 promote, advertise or compliment the sale of food or associated food
29 preparation equipment.

30 (14) A guest house, as defined in K.S.A. 36-501, and amendments
31 thereto.

32 (e) The exemption provided to those entities provided in subsection
33 (d) shall not be exempt from inspection or regulation when a violation is
34 observed or reported to the secretary.

35 (f) A food establishment operated in connection with any premises
36 licensed, registered or permitted by the secretary of health and
37 environment, the secretary for children and families, the secretary of
38 corrections or the secretary for aging and disability services that is
39 inspected and regulated pursuant to the respective law or rule and
40 regulation of such secretary, shall not require a license, and the secretary of
41 agriculture shall not be authorized to inspect or cause such premises to be
42 inspected. This subsection shall not apply to a food establishment whose
43 primary function is not in connection with any premises licensed,

1 registered or permitted pursuant to the respective law or rule and
2 regulation of such secretary.

3 Sec. 33. K.S.A. 2021 Supp. 75-5133 is hereby amended to read as
4 follows: 75-5133. (a) Except as otherwise more specifically provided by
5 law, all information received by the secretary of revenue, the director of
6 taxation or the director of alcoholic beverage control from returns, reports,
7 license applications or registration documents made or filed under the
8 provisions of any law imposing any sales, use or other excise tax
9 administered by the secretary of revenue, the director of taxation, or the
10 director of alcoholic beverage control, or from any investigation conducted
11 under such provisions, shall be confidential, and it shall be unlawful for
12 any officer or employee of the department of revenue to divulge any such
13 information except in accordance with other provisions of law respecting
14 the enforcement and collection of such tax, in accordance with proper
15 judicial order or as provided in K.S.A. 74-2424, and amendments thereto.

16 (b) The secretary of revenue or the secretary's designee may:

17 (1) Publish statistics, so classified as to prevent identification of
18 particular reports or returns and the items thereof;

19 (2) allow the inspection of returns by the attorney general or the
20 attorney general's designee;

21 (3) provide the post auditor access to all such excise tax reports or
22 returns in accordance with and subject to the provisions of K.S.A. 46-
23 1106(e), and amendments thereto;

24 (4) disclose taxpayer information from excise tax returns to persons
25 or entities contracting with the secretary of revenue where the secretary
26 has determined disclosure of such information is essential for completion
27 of the contract and has taken appropriate steps to preserve confidentiality;

28 (5) provide information from returns and reports filed under article 42
29 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto,
30 to county appraisers as is necessary to ensure proper valuations of
31 property. Information from such returns and reports may also be
32 exchanged with any other state agency administering and collecting
33 conservation or other taxes and fees imposed on or measured by mineral
34 production;

35 (6) provide, upon request by a city or county clerk or treasurer or
36 finance officer of any city or county receiving distributions from a local
37 excise tax, monthly reports identifying each retailer doing business in such
38 city or county or making taxable sales sourced to such city or county,
39 setting forth the tax liability and the amount of such tax remitted by each
40 retailer during the preceding month, and identifying each business location
41 maintained by the retailer and such retailer's sales or use tax registration or
42 account number;

43 (7) provide information from returns and applications for registration

1 filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-
2 3601, and amendments thereto, to a city or county treasurer or clerk or
3 finance officer to explain the basis of statistics contained in reports
4 provided by subsection (b)(6);

5 (8) disclose the following oil and gas production statistics received by
6 the department of revenue in accordance with K.S.A. 79-4216 et seq., and
7 amendments thereto: Volumes of production by well name, well number,
8 operator's name and identification number assigned by the state
9 corporation commission, lease name, leasehold property description,
10 county of production or zone of production, name of purchaser and
11 purchaser's tax identification number assigned by the department of
12 revenue, name of transporter, field code number or lease code, tax period,
13 exempt production volumes by well name or lease, or any combination of
14 this information;

15 (9) release or publish liquor brand registration information provided
16 by suppliers, farm wineries, *microwineries*, microdistilleries and
17 microbreweries in accordance with the liquor control act. The information
18 to be released is limited to: Item number, universal numeric code, type
19 status, product description, alcohol percentage, selling units, unit size, unit
20 of measurement, supplier number, supplier name, distributor number and
21 distributor name;

22 (10) release or publish liquor license information provided by liquor
23 licensees, distributors, suppliers, farm wineries, microdistilleries—~~and~~,
24 microbreweries *and microwineries* in accordance with the liquor control
25 act. The information to be released is limited to: County name, owner,
26 business name, address, license type, license number, license expiration
27 date and the process agent contact information;

28 (11) release or publish cigarette and tobacco license information
29 obtained from cigarette and tobacco licensees in accordance with the
30 Kansas cigarette and tobacco products act. The information to be released
31 is limited to: County name, owner, business name, address, license type
32 and license number;

33 (12) provide environmental surcharge or solvent fee, or both,
34 information from returns and applications for registration filed pursuant to
35 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secretary
36 of health and environment or the secretary's designee for the sole purpose
37 of ensuring that retailers collect the environmental surcharge tax or solvent
38 fee, or both;

39 (13) provide water protection fee information from returns and
40 applications for registration filed pursuant to K.S.A. 82a-954, and
41 amendments thereto, to the secretary of the state board of agriculture or the
42 secretary's designee and the secretary of the Kansas water office or the
43 secretary's designee for the sole purpose of verifying revenues deposited to

1 the state water plan fund;

2 (14) provide to the secretary of commerce copies of applications for
3 project exemption certificates sought by any taxpayer under the enterprise
4 zone sales tax exemption pursuant to K.S.A. 79-3606(cc), and
5 amendments thereto;

6 (15) disclose information received pursuant to the Kansas cigarette
7 and tobacco act and subject to the confidentiality provisions of this act to
8 any criminal justice agency, as defined in K.S.A. 22-4701(c), and
9 amendments thereto, or to any law enforcement officer, as defined in
10 K.S.A. 2021 Supp. 21-5111, and amendments thereto, on behalf of a
11 criminal justice agency, when requested in writing in conjunction with a
12 pending investigation;

13 (16) provide to retailers tax exemption information for the sole
14 purpose of verifying the authenticity of tax exemption numbers issued by
15 the department;

16 (17) provide information concerning remittance by sellers, as defined
17 in K.S.A. 2021 Supp. 12-5363, and amendments thereto, of prepaid
18 wireless 911 fees from returns to the local collection point administrator,
19 as defined in K.S.A. 2021 Supp. 12-5363, and amendments thereto, for
20 purposes of verifying seller compliance with collection and remittance of
21 such fees;

22 (18) release or publish charitable gaming information obtained in
23 charitable gaming licensee and registration applications and renewals in
24 accordance with the Kansas charitable gaming act, K.S.A. 75-5171 et seq.,
25 and amendments thereto. The information to be released is limited to: The
26 name, address, phone number, license registration number and email
27 address of the organization, distributor or of premises;

28 (19) provide to the attorney general confidential information for
29 purposes of determining compliance with or enforcing K.S.A. 50-6a01 et
30 seq., and amendments thereto, the master settlement agreement referred to
31 therein and all agreements regarding disputes under the master settlement
32 agreement. The secretary and the attorney general may share the
33 information specified under this subsection with any of the following:

34 (A) Federal, state or local agencies for the purposes of enforcement
35 of corresponding laws of other states; and

36 (B) a court, arbitrator, data clearinghouse or similar entity for the
37 purpose of assessing compliance with or making calculations required by
38 the master settlement agreement or agreements regarding disputes under
39 the master settlement agreement, and with counsel for the parties or expert
40 witnesses in any such proceeding, if the information otherwise remains
41 confidential; and

42 (20) disclose taxpayer information that is received from income tax
43 returns to the department of commerce that may be disclosed pursuant to

1 the provisions of K.S.A. 2021 Supp. 74-50,227, and amendments thereto,
2 for the purpose of including such information in the database required by
3 K.S.A. 2021 Supp. 74-50,227, and amendments thereto.

4 (c) Any person receiving any information under the provisions of
5 subsection (b) shall be subject to the confidentiality provisions of
6 subsection (a) and to the penalty provisions of subsection (d).

7 (d) Any violation of this section shall be a class A, nonperson
8 misdemeanor, and if the offender is an officer or employee of this state,
9 such officer or employee shall be dismissed from office. Reports of
10 violations of this paragraph shall be investigated by the attorney general.
11 The district attorney or county attorney and the attorney general shall have
12 authority to prosecute any violation of this section if the offender is a city
13 or county clerk or treasurer or finance officer of a city or county.

14 Sec. 34. K.S.A. 79-4101 is hereby amended to read as follows: 79-
15 4101. (a) For the purpose of providing revenue ~~which~~ *that* may be used by
16 the state, counties and cities in the enforcement of the provisions of this
17 act, from and after the effective date of this act, for the privilege of
18 engaging in the business of selling alcoholic liquor by retailers,
19 microbreweries, microdistilleries, *microwineries* or farm wineries to
20 consumers in this state or selling alcoholic liquor or cereal malt beverage
21 by distributors to clubs, drinking establishments, public venues or caterers
22 in this state, there is hereby levied and there shall be collected and paid a
23 tax at the rate of 8% upon the gross receipts received from: (1) The sale of
24 alcoholic liquor, cereal malt beverage and nonalcoholic malt beverage by
25 retailers; (2) the sale of alcoholic liquor by microbreweries,
26 microdistilleries, *microwineries* or farm wineries to consumers within this
27 state; and (3) the sale of alcoholic liquor or cereal malt beverage by
28 distributors to clubs, drinking establishments, public venues or caterers in
29 this state.

30 (b) The tax imposed by this section shall be in addition to the license
31 fee imposed on distributors, retailers, microbreweries, microdistilleries,
32 *microwineries* and farm wineries by K.S.A. 41-310, and amendments
33 thereto.

34 (c) As used in this section, the term "retailer" means the same as such
35 term is defined in K.S.A. 41-102, and amendments thereto.

36 Sec. 35. K.S.A. 79-4102 is hereby amended to read as follows: 79-
37 4102. The tax levied under K.S.A. 79-4101, and amendments thereto, shall
38 be paid by the consumer or user to the retailer, microbrewery,
39 microdistillery, *microwinery* or farm winery or by the club, drinking
40 establishment, public venue or caterer to the distributor. It shall be the duty
41 of each retailer, microbrewery, microdistillery, *microwinery*, farm winery
42 or distributor in this state to collect from the purchaser the full amount of
43 the tax imposed by this act, or an amount equal as nearly as possible or

1 practicable, to the average equivalent thereof.

2 Sec. 36. K.S.A. 79-4103 is hereby amended to read as follows: 79-
3 4103. On or before the 25th day of each calendar month, every person
4 engaged in the business of selling alcoholic liquor at retail, every
5 microbrewery selling beer to consumers, every microdistillery selling
6 spirits to consumers, every *microwinery* and farm winery selling wine to
7 consumers in this state and every distributor selling alcoholic liquor or
8 cereal malt beverage to clubs, drinking establishments, public venues or
9 caterers in this state during the preceding calendar month shall make a
10 return to the director of taxation upon forms prescribed and furnished by
11 the director, stating: (a) The name and address of the seller; (b) the total
12 amount of gross sales subject to the tax imposed by K.S.A. 79-4101, and
13 amendments thereto, during the preceding calendar month; and (c) any
14 other pertinent information the director requires. The person making the
15 return shall, at the time of making the return, pay to the director of taxation
16 the amount of tax imposed by K.S.A. 79-4101, and amendments thereto.
17 The director of taxation may extend the time for making returns and
18 paying the tax for any period not to exceed 60 days, under rules and
19 regulations adopted by the secretary of revenue.

20 Sec. 37. K.S.A. 79-4104 is hereby amended to read as follows: 79-
21 4104. Whenever the director of alcoholic beverage control issues a
22 retailer's, distributor's, microbrewery, microdistillery, *microwinery* or farm
23 winery license, the director of alcoholic beverage control shall promptly
24 notify the director of taxation of its issuance. The notice shall include the
25 name of the licensee and, in the case of a retailer, microbrewery,
26 microdistillery, *microwinery* or farm winery, the address of the licensed
27 premises. Whenever the director of alcoholic beverage control revokes or
28 suspends any retailer's, distributor's, microbrewery, microdistillery,
29 *microwinery* or farm winery license or whenever any retailer's,
30 distributor's, microbrewery, microdistillery, *microwinery* or farm winery
31 license expires, the director of alcoholic beverage control shall likewise
32 notify the director of taxation.

33 Sec. 38. K.S.A. 41-102, 41-304, 41-305, 41-308a, 41-308d, 41-310,
34 41-311, 41-313, 41-316, 41-317, 41-319, 41-351, 41-355, 41-501, 41-601,
35 41-602, 41-710, 41-714, 41-717, 41-718, 41-719, 41-803, 41-901, 41-
36 1101, 41-1201, 41-1202, 41-2623, 65-689, 79-4101, 79-4102, 79-4103 and
37 79-4104 and K.S.A. 2021 Supp. 75-5133 and 75-5133d are hereby
38 repealed.

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