

HOUSE BILL No. 2688

By Committee on Commerce, Labor and Economic Development

2-10

1 AN ACT concerning alcoholic beverages; relating to cereal malt beverage
2 retailer licenses; requiring issuance thereof to a licensed farm winery
3 that satisfies the statutory requirements for such retailer license;
4 amending K.S.A. 41-2703 and repealing the existing section.

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

7 Section 1. K.S.A. 41-2703 is hereby amended to read as follows: 41-
8 2703. (a) After examination of an application for a retailer's license, the
9 board of county commissioners or the director shall, if they approve the
10 same, issue a license to the applicant. The governing body of the city shall,
11 if the applicant is qualified as provided by law, issue a license to such
12 applicant.

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

14 (1) A person who is not of good character and reputation in the
15 community ~~in which~~ where the person resides;

16 (2) a person who is not a citizen of the United States;

17 (3) a person who, within two years immediately preceding the date of
18 application approval, has been convicted of, released from incarceration
19 for or released from probation or parole for a felony or any crime
20 involving moral turpitude, drunkenness, driving a motor vehicle while
21 under the influence of intoxicating liquor or violation of any other
22 intoxicating liquor law of any state or of the United States;

23 (4) a partnership, unless all the members of the partnership are
24 otherwise qualified to obtain a license;

25 (5) a corporation, if any manager, officer or director thereof, or any
26 stockholder owning in the aggregate more than 25% of the stock of such
27 corporation, would be ineligible to receive a license hereunder for any
28 reason other than the citizenship requirements;

29 (6) a person whose place of business is conducted by a manager or
30 agent unless the manager or agent possesses all the qualifications of a
31 licensee;

32 (7) a person whose spouse would be ineligible to receive a retailer's
33 license for any reason other than citizenship requirements or age, except
34 that this paragraph shall not apply in determining eligibility for a renewal
35 license; *and*

36 (8) a person whose spouse has been convicted of a felony or other

1 crime that would disqualify a person from licensure under this section and
2 such felony or other crime was committed during the time that the spouse
3 held a license under this act.

4 (c) After examination of an application for a retailer's license, the
5 board of county commissioners or the governing body of a city may deny a
6 license to a person, partnership or corporation if any manager, officer or
7 director thereof, or any stockholder owning in the aggregate more than
8 25% of the stock of such corporation, has been an officer, manager,
9 director or a stockholder owning in the aggregate more than 25% of the
10 stock, of a corporation that has:

11 (1) Had a retailer's license revoked under K.S.A. 41-2708, and
12 amendments thereto; or

13 (2) been convicted of a violation of the club and drinking
14 establishment act or the cereal malt beverage laws of this state.

15 (d) If an applicant has been issued *a farm winery license pursuant to*
16 *K.S.A. 41-316, and amendments thereto, or a producer's license pursuant*
17 *to K.S.A. 41-355, and amendments thereto, an application for a retailers'*
18 *license shall be approved by the board of county commissioners or the*
19 *director, subject to the requirements of subsections (b) and (c).*

20 (e) Retailers' licenses shall be issued either on an annual basis or for
21 the calendar year. If such licenses are issued on an annual basis, the board
22 of county commissioners or the governing body of the city shall notify the
23 distributors supplying the county or city on or before April 1 of the year if
24 a retailer's license is not renewed.

25 (f) In addition to, and consistent with the requirements of K.S.A. 41-
26 2701 et seq., and amendments thereto, the board of county commissioners
27 of any county or the governing body of any city may provide by resolution
28 or ordinance for the issuance of a special event retailers' permit that shall
29 allow the permit holder to offer for sale, sell and serve cereal malt
30 beverage for consumption on unpermitted premises, that may be open to
31 the public, subject to the following:

32 (1) A special event retailers' permit shall specify the premises for
33 which the permit is issued;

34 (2) a special event retailers' permit shall be issued for the duration of
35 the special event, the dates and hours of which shall be specified in the
36 permit;

37 (3) not more than four special event retailers' permits may be issued
38 to any one applicant in a calendar year; and

39 (4) a special event retailers' permit shall not be transferable or
40 assignable.

41 (g) A special event retailers' permit holder shall not be subject to the
42 provisions of the beer and cereal malt beverage keg registration act, K.S.A.
43 41-2901 et seq., and amendments thereto.

- 1 Sec. 2. K.S.A. 41-2703 is hereby repealed.
- 2 Sec. 3. This act shall take effect and be in force from and after its
- 3 publication in the statute book.