

STATE AFFAIRS COMMITTEE

April 3, 1967

8:00 P.M.

The meeting was called to order by the Chairman, with all members present except Messrs. Unruh and Doyen.

The Chairman asked for action on SB 368 and Mr. Andrews moved that it be recommended favorably. Motion was seconded by Mr. Buchele and carried unanimously.

Mr. Kessinger moved that SB 119 be recommended favorably. Upon second by Mr. Turner, the motion carried without dissent.

Senators Sebelius and Gaar appeared to discuss SB 387. Senator Sebelius stated that a sub-committee, chaired by Mr. Gaar had studied this proposal; that they had worked with law enforcement people and others interested in strengthening the law; that he believes the sub-committee did a good job.

Senator Gaar explained that the sub-committee had attempted to do away with the artificiality of the present law; that if we are to have private clubs then they should be governed by an enforceable law; that they proposed to do away with the 30 day waiting period and change it to three days, and reduce the amount of membership fee to \$3.00; that this is in accordance with the ABC thinking; that this really doesn't liberalize the law but makes it enforceable. Also, he states this bill would do away with the residence requirement if you are registered in a hotel or motel; and also that there is no reason to charge for the use of a facility such as this any more than to charge for use of the dining room or any other facility.

He explained the liquor pool arrangement with Class A clubs and stated that the Class B clubs could qualify in certain instances for a liquor pool; that this would simplify bookkeeping and make it easier for the law enforcement people to check membership and use. Mr. Jelinek inquired about the coupon system, and Senator Gaar explained that this is under the "pool" concept. Mr. Bunten inquired if in hotels and motels, this would permit room service, and the Senator explained that at the present time this is prohibited, and that this bill doesn't change that.

Senator Gaar explained that this bill exempts railroads and airlines; and discussed reciprocal clubs, stating that the ABC would have to first approve this sort of an arrangement between clubs before they could operate.

Mr. Andrews inquired how makes the decision on whether the hotel or motel club shall have a liquor pool and Senator Gaar explained the hotel or motel may elect which way they wish to operate, and then clear with the ABC; but that the pool system requires less bookkeeping and is easier to control so far as the law enforcement people are concerned. Mr. Jelinek expressed concern about the license fee in the case of a Legion club; and the Senator explained that this is a

problem and that they had reduced the fee as much as could be done; but that they were trying to do the best they could, and couldn't reduce it more than a dollar per member; that he is aware that some of the small clubs do have difficulty; but that they were able to prevent the local people from requiring additional fee. Mr. Fribley inquired if they had considered exempting fraternal clubs completely, and Senator Gaar stated that Ken Young had asked about it but that it was the feeling that because of enforcement, they would have to be continued under the law.

Senator Gaar explained that there had been difficulty checking the cereal malt beverage and strong beer situation and that Section 9 covers this and allows the serving of same under certain conditions.

There were extensive questions about reciprocating clubs and Mr. Woodworth inquired if there could be reciprocal agreements between Class A and Class B clubs, and the senator stated he believed so but that it would have to be cleared with ABC before hand.

Mr. Rogers inquired about the floor amendment by Senator Ball which would deal with federal gambling stamps. Senator Gaar stated that if you had a federal stamp you would automatically lose your club; that although it is a good, moral concept it seems rather harsh. Mr. Woodworth stated that this is against the law anyway, and Senator Gaar agreed that this is correct.

Mr. Howard Spies appeared in behalf of the bill, stating that he had been working with the club law since 1961, first with the ABC and now represents Preferred Affiliated Clubs of Kansas; that in light of his background, he believes this would be a more enforceable bill--a more workable plan; that this is not a wet or dry issue but since we do have the clubs, we should be able to have control over them. Mr. Rogers inquired about purchase and display and Mr. Spies explained this was 2611 and was not amended until Senator Ball amended it on the floor. He stated that Mr. McGee of the Attorney General's office had expressed the opinion that reciprocal clubs would be invalid.

The Chairman stated that after the hearing on 299 in the afternoon he would recommend that the bill be returned to the floor without recommendation; that he knew some disagreed with him but that the State Affairs Committee is directly concerned and that he believes the House should have an opportunity to decide without recommendation; that all members of the committee could feel free to discuss it on the floor as they saw fit, or offer amendments. Mr. Rogers asked who would carry if and the Chairman stated he would if no one else wanted to; that he would take the position of a neutral and would not speak for or against any amendments. Mr. Fribley moved that the bill be referred to the House without recommendation. Motion was seconded by Mr. Ford, and after additional discussion, carried unanimously.

Meeting was adjourned.

MARGARET GENTRY, Secretary