

Approved

2/29/84
DateMINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRSThe meeting was called to order by Senator Edward F. Reilly, Jr. at
Chairperson11:00 a.m. on February 28, 1984 in room 254-E of the Capitol.All members were present ~~except~~Committee staff present: Russell Mills, Legislative Research
Fred Carman, Assistant Revisor of Statutes
Emalene Correll, Legislative Research
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

Senator Don Montgomery
Jeff Southard, Assistant Attorney General
Jerry Slaughter, Kansas Lodging Association
Thomas J. Kennedy, Director, Alcoholic Beverage Control
The Reverend Richard Taylor, Kansans for Life at its Best!
Robert Coldsnow, Legislative Counsel
Phil Wilkes, Legal Counsel, Department of Revenue
Joe Berger, Sunflower Club Association, Topeka

The Chairman asked the Committee to give its attention to Senator Montgomery who appeared before the Committee. Copies of a letter from Marvin A. Harder, Secretary of Administration, were distributed concerning the denying of a claim for veterans' preference for William Maring. A copy of the letter is part of these Minutes as Attachment #1. Senator Montgomery stated that he felt that the part in the statutes (75-2955) which states "A veteran shall not include any person who has voluntarily retired with twenty or more years of active service" is not fair and that such a person should have veteran's preference. He asked that legislation effecting such benefits be introduced as a Committee bill. Senator Winter moved that the Committee introduce such proposed legislation. 2d by Senator Roitz. Motion carried.

Senator Winter said that he had a joint request for the introduction of two bills, and that Jeff Southard of the Attorney General's Office would speak to that request. Mr. Southard stated that these are two bills that the Consumer Protection Division put together. They express the concern of the Attorney General's Office concerning health spas and buying clubs. These bills would require the company to make certain disclosures up front. They are also interested in some sort of protection in the form of a bond. "Any time you have services that are paid for in advance you need to have some kind of protection," said Mr. Southard. They are using the definition of health spas and buying clubs found in SB357.

Senator Winter moved that these proposals be introduced by the Committee. 2d by Senator Morris. Motion carried.

SB746 - concerning alcoholic liquors and relating to private clubs.

The Chairman called the Committee's attention to SB746. He asked Director Kennedy to summarize his Memorandum to the Committee concerning SB746, dated February 28, 1984. It is a copy of these Minutes as Attachment #2. It concerns the granting of temporary membership in class "B" private clubs to guests of a hotel or motel which has no club. The ABC recommends this bill with a suggested amendment on line 70 and 71 to read: "No other club has entered into a written agreement with the hotel pursuant to this section." He said that he has received many comments from across the state and out of state concerning this matter.

Jerry Slaughter appeared in support of SB746 for the organization he represents at this hearing. He said it will give out of town guests or out of state guests the privileges to the use of private clubs.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS,
room 254-E, Statehouse, at 11:00 a.m. ~~pm~~ on February 28, 1984.

Jack Milligan appeared before the Committee as a proponent of SB746, SB747 and SB750, all of which are on today's agenda for hearing and discussion. Mr. Milligan gave copies of his written statement to the Committee in support of these bills. A copy of his statement is a part of these Minutes as Attachment #3.

The Reverend Richard Taylor was recognized by the Chairman. The Reverend Taylor appeared in opposition to SB746. He presented his oral statement and gave copies of his statement to the Committee. This also pertains to SB747 and SB750, to which he is also an opponent. A copy of his remarks is a part of these Minutes as Attachment #4.

Director Kennedy next spoke to SB747 which concerns private parties and allowing temporary memberships for "fund raising" purposes. A copy of his Memorandum to the Committee is a part of these Minutes as Attachment #5. His Memorandum contains a suggested amendment and pertinent remarks to the enforcement of the bill. He stated that the rules and regulations will need to be specific so as to eliminate confusion. The Director strongly recommends enactment of this bill.

The Chairman directed the Committee's attention to SB750, concerning private clubs on trains, to which Director Kennedy also spoke. The Director's Memorandum is a part of these Minutes as Attachment #6. The Chairman urged the Committee members to read the prepared Memorandum from General Kennedy, which also includes a copy of a Memorandum from last session about the same subject. Director Kennedy stated that SB750, if enacted in its present form would appear to be enforceable and would create minimal problems for the ABC, and recommends favorable consideration of the bill. This ended the discussion of the alcoholic beverage bills on the agenda.

SB770 - concerning Bingo.

The Chairman called the Committee's attention next to SB770, the bill which had been introduced by this Committee this year and on which hearings had been held on February 23, 1984. He stated that this would extend the days that bingo could be played from three days, which is in the proposal on the Governor's desk at this time, to six days. It also would delete the 1,000 foot prohibition in SB401 because of the hardships it might cause particularly in rural areas. It was the intent of the Committee to get a handle on enforcement and on the funds that would come to the state from bingo, and not their idea to be punitive. The Committee was reminded that last year's sub-committee from this Committee, composed of Senators Winter, Vidricksen and Francisco, had recommended the three days stipulation. Senator Winter said they came up with that last year as a proposal that would make our statutory scheme for the regulation of bingo consistent with the constitution.

Robert Coldsnow appeared before the Committee. He told the Committee that there was a section of the law that spoke to the defining of Bingo that set out what constituted a bingo card. Mr. Coldsnow then answered questions from the Committee. His hand-out is a part of these Minutes as Attachment #7.

Phil Wilkes, of the Department of Revenue, appeared. He stated that the Department is concerned about the vagueness and inconsistency of the charges for cards in paragraph "i" in K.S.A. 79-4706 as amended by SB401. He feels that the way the language reads now makes it impossible to know what the intent of the Legislature is for enforcement purposes. (Attachment #8.)

Joe Berger was recognized to speak by the Chairman. Mr. Berger said that the organization he represents consists of fraternal organizations who sponsor bingo. He said they feel that the cost of the bingo card should be one dollar.

The Chairman stated that this would end the discussion for today as it was time for adjournment and that discussion of bingo would continue tomorrow.

The meeting adjourned at noon.

STATE OF KANSAS

2/28/84
Attachment #1



DEPARTMENT OF ADMINISTRATION
Office of the Secretary

JOHN CARLIN,
Governor
MARVIN A. HARDER,
Secretary of Administration

Room 263-E
State Capitol Building
Topeka, Kansas 66612
(913) 296-3011

February 14, 1984

Senator Don Montgomery
Room 503-North
State Capitol
BUILDING MAIL

Dear Senator Montgomery:

I have reviewed the letter from William Maring which you left at my office. It is my understanding that you prefer to contact your constituent yourself, therefore, I am transmitting the following information to you.

In denying Mr. Maring's claim for veterans' preference, the Division of Personnel Services is following statutory authority set forth in K.S.A. 75-2955, 1984 Supp. (copy enclosed). This statute specifically excludes the awarding of veterans' preference to any person who has voluntarily retired with 20 or more years of active service. I am sorry we cannot accommodate Mr. Maring, however, since this is Kansas law the Division of Personnel Services must comply with it.

If I can provide additional information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Marvin A. Harder".

Marvin A. Harder
Secretary of Administration

MAH:bd

Enclosure - One

Attachment # 1

Feb 7, 1984

TO: Whom it May Concern

Enclosed please find a letter from the Department of Administration Division of Personnel Services for the State of Kansas. More important, please note what has been stated in the checked paragraph concerning Veteran's preference.


I am finding a problem in understanding exactly what a member of the United States has to do to be called a Veteran. In my eyes, any member of the Armed Forces who stays 20 years or more and then retires is certainly what I would consider a Veteran. And yet, after reading this letter authored by the Director of Personnel Services, what do I have left to believe.

It appears that the only person who would ever have a preference to Veteran's Jobs would be a member who was involuntarily removed from the service or one that just gave up prior to the retirement year or rejoined the civilian work force. That member who stuck to the defense of the country just plain suffers.

I personally do not understand or know what we can do to correct this. However, Considering the "shake" afforded the Veteran today, a change must be made.

If I can in any way contribute to this change please contact me at

(913) 494-8240
or at my address
Rt 1, Wamego, KS 66547


WILLIAM J MARING
US Army Retired

I think that the State of Kansas is prejudice and is violating my Civil Rights. In addition I don't think that Vietnam Veterans are receiving a preference on finding employment.

JOHN CARLIN,
Governor
NORMAN HANSON,
Director of Personnel Services



State Office Building
Topeka, Kansas 66612

DEPARTMENT OF ADMINISTRATION
Division of Personnel Services

02 FEB 84

WILLIAM J. MARING

RR 1

WAMEGO

KS 66547

DEAR APPLICANT,

(SSN)340221188

THANK YOU FOR YOUR APPLICATION FOR
AUTOMOTIVE MECHANIC I

ACTION HAS BEEN TAKEN ON YOUR CLAIM FOR VETERANS PREFERENCE, AS NOTED
IN THE PARAGRAPH(S) BELOW.

~~YOUR CLAIM FOR VETERANS PREFERENCE CAN NOT BE APPROVED BECAUSE YOUR
RECORD INDICATES THAT YOU VOLUNTARILY RETIRED AFTER 20 YEARS OR MORE
OF ACTIVE SERVICE.~~

I AM ENCLOSING THE PAPER(S) LISTED BELOW THAT YOU SUBMITTED TO ESTABLISH
VETERANS PREFERENCE IN CONNECTION WITH YOUR CIVIL SERVICE EXAMINATION.

D.D. 214 - PHOTOSTATIC COPY.

IF YOU HAVE ANY QUESTIONS PLEASE CONTACT THE DIVISION OF PERSONNEL
SERVICES, 1ST FLOOR, STATE OFFICE BUILDING, 9TH AND HARRISON,
TOPEKA, KS., 66612-1595.

75-2988

73-201

75-2955 STATE DEPARTMENTS; PUBLIC OFFICERS, EMPLOYEES

(2) Any officer or employee in the state classified service shall resign from the service upon filing as a candidate for public office, unless the public office filed for is the office of county commissioner or is elected on a nonpartisan basis.

History: K.S.A. 75-2953; L. 1978, ch. 346; § 1; May 11.

75-2955. Veterans' preference. In all examinations under this act, a veteran's preference shall be given to all persons separated from the armed services under honorable conditions who served on active duty during any war (the official dates for war service are April 6, 1917 through July 2, 1921, and December 7, 1941 through April 28, 1952); during the period April 28, 1952 through July 1, 1955; in any campaign or expedition for which a campaign badge or service medal has been authorized; for more than one hundred eighty (180) consecutive days since January 31, 1955. An initial period of active duty for training under the "6-month" reserve or national guard program shall not count toward the one hundred eighty (180) consecutive day requirement. Persons entering the armed services on or after October 15, 1976, shall not be entitled to a veteran's preference based on that period of service unless awarded a service medal or campaign badge. A veteran shall not include any person who has voluntarily retired with twenty (20) or more years of active service. Veterans' preference points and dates shall be applicable only to examinations given on and after the effective date of this act and shall not be applied retroactively.

To the final earned rating of all such veterans, as defined herein, who shall have attained a passing rating on any open competitive examination, there shall be added a credit of five (5) points and in the case of a disabled veteran there shall be added a total credit of ten (10) points. No disabled veteran shall be entitled to the additional benefits herein provided unless such service was during an accepted period, as defined herein, and such disability is at the time of examination rated by the United States veterans' administration as being service connected and not less than ten percent (10%).

History: K.S.A. 75-2955; L. 1978, ch. 332, § 25; July 1.

75-2956a. Reciprocal agreements between secretary of administration and public agency or body; cooperation with other

governmental agencies. The secretary of administration is authorized and empowered to enter into reciprocal agreements, upon such terms as may be agreed upon, for the use of equipment, materials, facilities, and services with any public agency or body for purposes deemed of benefit to the public personnel system.

The director of personnel services, acting in behalf of the secretary of administration, may cooperate with other governmental agencies charged with public personnel administration in conducting areawide wage and salary surveys, recruiting and examining efforts, using common eligible lists, providing cooperative training efforts and interchanging personnel.

History: L. 1978, ch. 332, § 26; July 1.

75-2956b. Kansas state employee award committee established within department of administration; membership; appointment; compensation; powers and duties; merit awards; rules and regulations.

(a) Within the department of administration there is hereby created and established the Kansas state employees award committee, herein called the committee, composed of five members, appointed by the secretary of administration, each of whom is a state officer or employee, and at least three of whom shall be in the classified service. Upon the conclusion of the terms of office of the members of the committee who are serving on the effective date of this act, the successors to such members shall be appointed as follows: Two members shall be appointed for terms of office of one year and three members shall be appointed for terms of office of two years. Thereafter, terms of office of the committee shall be two years. Members of the Kansas state employees award committee attending meetings of such committee, or attending a subcommittee meeting thereof authorized by such committee, shall be paid amounts provided in subsection (e) of K.S.A. 75-3223 and amendments thereto. Vacancies in membership shall be filled by appointment of the secretary of administration for the remainder of the unexpired term. The committee shall annually elect a member to be chairperson.

(b) The committee shall:

(1) Formulate, establish and maintain plans to provide a uniform system through

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2/28/84
Attachment #2

MEMORANDUM

TO: Honorable Edward F. Reilly, Jr.
Chairman, Senate Federal and State Affairs Committee

FROM: THOMAS J. KENNEDY, Director, ABC Division

RE: Senate Bill 746

DATE: February 28, 1984

PURPOSE

Senate Bill 746, if enacted in its present form, is an act relating to private clubs, amending K.S.A. 41-2601 and provides that guests of a hotel/motel, which has no club, may be granted temporary membership in class "B" private clubs.

PERSPECTIVE

Senate Bill 746 provides that any class "B" club may enter into an agreement with a hotel or motel whereby a guest who is registered at the hotel and who is not a resident of the county in which the club is located, may file application for temporary membership in the club. The temporary membership, if granted, shall be valid for only the period of time that the guest is a bona fide registered guest at the hotel and shall not be subject to the waiting period or dues requirement of the statutes.

A class "B" club may enter into an agreement with a hotel pursuant to this bill only if:

- A. The hotel is located in the same county as the club;
- B. There is no club located on the premises of the hotel; and
- C. No other club has entered into an agreement with the hotel pursuant to this bill.

COMMENTS AND/OR RECOMMENDATIONS

We have received many comments from out of state and out of county guests who have stayed at hotels or motels which did not have a club on premises. Unless these individuals were members of reciprocal clubs they could not legally enter any local private clubs while staying at the hotel or motel.

Attachment #2

This bill adequately addresses the concerns for those who stay at motels with no private clubs.

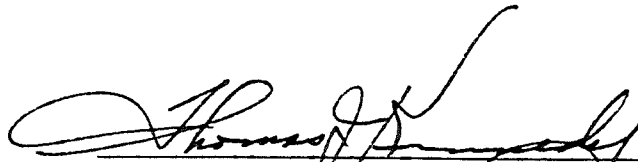
This bill is a good one in that it will permit the hotel or motel to sign an agreement whereby guests of the hotel/motel will be able to have temporary membership in the club during their residency at the hotel/motel. Further, if the club is a reciprocating club, then the guests will be able to visit the other reciprocal clubs. This will entail the club issuing a temporary membership card to the guest.

The bill is restrictive in the sense that the hotel or motel can only sign an agreement with one club. If this arrangement proves unsatisfactory to either party, then they could break the agreement and hopefully sign with someone else.

Our plan would be to furnish a sample agreement to the parties concerned for their use and requesting that a copy be forwarded to the ABC for the file of the licensee.

One recommendation is that the agreement be in writing. Therefore, on line 70 and 71, recommend paragraph commencing with (iii) be amended to read: "No other club has entered into an a written agreement with the hotel pursuant to this section."

Recommend approval of this bill.


THOMAS J. KENNEDY DIRECTOR



Kansas Association of Private Clubs

(913) 357-7642 • 117 W. 10TH ST. • TOPEKA, KS 66612

TESTIMONY BEFORE THE
SENATE FEDERAL AND STATE AFFAIRS COMMITTEE
SB 746, SB 747, and SB 750
February 28, 1984
11:00 a.m.

By
Jack Milligan, Executive Director
KANSAS ASSOCIATION OF PRIVATE CLUBS

Mr. Chairman, members of the committee. My name is Jack Milligan. I appear this morning in behalf of the Kansas Association of Private Clubs and in support of the three bills scheduled for hearing in this committee.

The Kansas Association of Private Clubs supports the passage of SB 746 to permit private clubs to enter into agreements with hotels that do not have private clubs in their facilities. We have heard from numerous hotel/motel properties who wish to secure private clubs membership privileges for their guests. These properties feel such arrangements will enhance their ability to provide better and expanded services to their guests.

The Kansas Association of Private Clubs supports the passage of SB 747 to permit temporary memberships for guests at a private party. SB 747 will dramatically simplify the process for conducting fundraising functions for charities, private organizations and political campaigns.

The non-contiguous section of this bill will undoubtedly increase the catering activity at fundraising functions of every sort. This will obviously be good for local economies during certain times of the year when fundraisers are typically conducted.

Finally, the Kansas Association of Private Clubs supports SB 750 to permit standing or moving trains to be licensed as a Class B private clubs. It is our understanding one such entity is anxious to operate a Class B club in its train as soon as SB 750 can become law. Very simply, we feel this concept is novel and deserves the opportunity to prove it can succeed in our state.

Mr. Chairman, this concludes my formal remarks on the three aforementioned bills. I would be happy to address any questions the committee members might have.

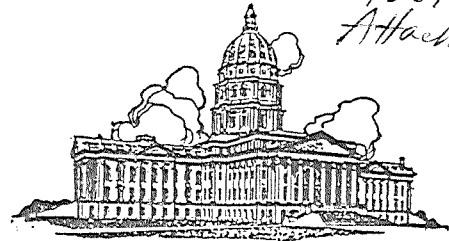
Attachment # 3

*2/28/84
Attachment #3*

KANSANS FOR LIFE AT ITS BEST!

Rev. Richard Taylor, Box 888, Topeka, Kansas 66601

Phone (913) 235-1866 Office 1273 Harrison
(3 Blocks South of Statehouse)



2/28/84
Attachment #4

Hearing on SB 746, SB 747, and SB 750. February 28, 1984
Senate Federal and State Affairs Committee

A Proud Land

You have three bills before you. All share a common goal. They make our most popular recreational drug available to more drinkers in more places. Dr. Morris Chafetz promotes and defends alcohol consumption in his book, LIQUOR THE SERVANT OF MAN. Yet he presents facts concerning the effect of this powerful and deceptive drug on the human brain. (Page 182)

In any case, it is not necessary to see a man drink himself to death in order to observe the interesting spectacle I am about to describe. For it is under the influence of alcohol that we are a witness to the retracing of the whole life history of the race — in one man, in one evening — all the way back down the evolutionary stairway. First, his herd-group tendencies disappear (these are the last tendencies man has acquired and are recognizable as the following: consideration of other people, restraints, refinements and niceties). Next to go are anxiety, prudence, modesty, reserve, and all the rest of what psychologists call "group logic," the orthodox rules of group or civilized conduct. Older, more basic impulses push up from below: jerky speech, roaring laughter, excessive sentimentality. By now he has gone a good way down; he has left the herd and is imitating the procedures of the hulking man with the one-inch forehead who was his forebear. Psychically he is roving alone — coarse, reckless, predatory, dangerous, and possibly criminal, because the criminal life of today comes close to the normal life of primitive man.

Hopefully concerned members of this committee will refuse to approve all measures that provide more opportunities for more people to move toward becoming the "hulking man with the one-inch forehead."

Respectfully,

Richard Taylor

"Of our political revolution of 1776 we are all justly proud," said Abraham Lincoln on Washington's birthday in 1842. He went on to say "how proud the title of that land" where persons declare their freedom from alcoholic beverages because they "shall find a stronger bondage broken, a viler slavery manumitted, a greater tyrant deposed. . . perfect liberty!" With per-person consumption at nearly half the national average, thousands of Kansans enjoy that perfect liberty. Concerned users and non-users are united in this R-E-A-L effort to prevent alcoholism, highway tragedy, and other suffering caused by our most abused recreational drug.

Rehabilitation — Help alcohol-dependent persons adjust to life without the drug.

Education — Inform children, youth & adults of effect of alcohol on mind & body.

Amount — Encourage persons to be non-users and encourage users to use less.

Law — Pass and enforce laws that reduce consumption and suffering.

Attachment # 4

MEMORANDUM

2/28/84
Attachment #5

TO: Honorable Edward F. Reilly, Jr.
Chairman, Senate Federal and State Affairs Committee

FROM: THOMAS J. KENNEDY, Director, ABC Division

RE: Senate Bill 747

DATE: February 28, 1984

PURPOSE

Senate Bill 747 is an act concerning alcoholic liquors; private club private parties; allowing temporary membership for "Fund Raising" purposes, etc.

PERSPECTIVE

Political groups, fund raising organizations, conventioners and others are constantly wanting to host public oriented activities where alcoholic liquors would be sold by the drink.

While the constitutional prohibition against the "Open Saloon" must be kept in mind, we feel the amendments to Kansas Statute Annotated 41-2601 as provided for in Senate Bill 747 would allow flexibility in this area.

Senate Bill 747 provides that any class B club may establish rules whereby a guest at a bona fide private party held on the premises of the club may file application for temporary membership in the club for the period of the private party, and such temporary membership shall not be subject to the waiting period or dues requirement of the Club Licensing Act. A list consisting of the name and address of each private party guest is to be submitted to the club management at least three days in advance of the function and only a person whose name appears on this list may be authorized temporary membership status. Any club intending to issue temporary memberships as authorized under this section must notify the alcoholic beverage control of the name of the organization, and the date and time of the function at least seven days prior to the function. Rules and regulations may be adopted, specifying criteria for the extension of the club license over noncontiguous premises and the controlling of functions on such premises.

COMMENTS AND/OR RECOMMENDATIONS

This bill, if enacted, will permit people invited to a bona fide private party, for the purpose of raising funds or whatever purpose, to have a temporary membership in the private club on that day. The club is required to notify the ABC Division of the name of the organization planning the event, the date and time of the function at least seven days in advance of the event.

Attachment # 5

These temporary memberships are not subject to the ten (10) day waiting period or the minimum ten dollars (\$10) membership fee. The people invited to the party must be listed on a roster which will be submitted to the club three (3) days prior to the event and only a person, whose name appears on this roster may be authorized a temporary membership. Of course, it goes without saying that members of the club may also attend whether or not their name is on the roster.

This amendment is not to be interpreted to mean that the group will be taking over the club or that the club will be loaning their license to the group.

The Director of ABC licenses the club and not the group, therefore, the club is responsible at all times for the conduct of employees and members, regular or temporary, on the premises.

It is envisioned that the group may sell tickets to invited guests prior to the event, then when the guest arrives at the door, their name is checked off the roster and they are admitted as a temporary member with the privilege of purchasing alcoholic beverages, purchasing food or other items or that the club would charge a cover charge at the door, sell alcoholic beverages as well as food to the group, and then, in turn after expenses are deducted, make a contribution or donation to the fund raising group.

Based on requests by groups wishing to conduct fund raising functions, we anticipate a large number of these private party functions.

Under the current private club law, a private party can be held at a private club only if one or more of the hosts are members of that club and only if every guest at the party is a prior personal acquaintance of the host(s) or of another guest who is a member of that club. This restriction tends to limit the people who may legally attend such parties. Also, the Alcoholic Beverage Control Division routinely advised clubs and private citizens not to publicly advertise such functions since they are limited to guests.

As to the extension of the club license over noncontiguous premises and the controlling of functions on such premises, we feel that the licensee can be held responsible the same as if the activity was held on the regular licensed premises. However, under Federal Law, the licensee will be required to purchase another Federal Retail Stamp costing \$54, if the address is different from that of the licensed premises.

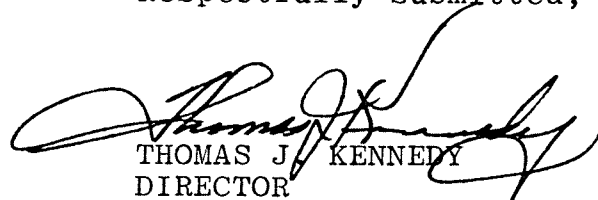
The provisions in this bill that allows club functions on noncontiguous premises may conflict with K.S.A. 41-2608. That statute provides, in pertinent part: "The license provided herein shall be issued for one particular premises which shall be stated in the application and in the license." This situation could best

be remedied by amending K.S.A. 41-2608 to state: "The license provided herein shall be issued for one particular premises which shall be stated in the application and in the license, except as authorized by rules and regulations adopted under K.S.A. 41-2601 (b)(3)(B)."

The rules and regulations promulgated will need to be specific so as to eliminate confusion.

The Director of Alcoholic Beverage Control strongly recommends enactment of this bill.

Respectfully submitted,


THOMAS J. KENNEDY
DIRECTOR

TJK:cjk

aw

2/28/84

Attachment #6

MEMORANDUM

TO: Honorable Edward F. Reilly, Jr., Chairman
 Senate Federal and State Affairs Committee

FROM: THOMAS J. KENNEDY, Director, ABC Division

RE: Senate Bill 750

DATE: February 28, 1984

PURPOSE

Senate Bill 750, as introduced, is an act relating to licensed private clubs; authorizing a train to constitute club premises; temporary membership; amending K.S.A. 41-2601, 41-2608, and 41-2627 and repealing the existing sections.

PERSPECTIVE

This bill, if enacted, would authorize a train to purchase a class "B" private club license. Guests on the train with a ticket may file application for temporary membership in the club. Membership, if granted, would only be valid for the period of time that the guest is a bona fide ticket guest on the train. This temporary membership would not be subject to the ten (10) day waiting period or the annual dues of at least ten dollars (\$10.00).

In the case of a train, the premises may consist of a train either standing or moving, in which case the route or routes of the train will be described instead of a location and the premises would constitute the route or routes.

This amendment establishes an additional category of members, compatible with current statutory provisions.

Currently, K.S.A. 41-2601 permits individuals who are guests registered at hotels and motels and are not residents of the county in which the club is located to have a temporary membership at the class "B" club located on the premises of the motel or hotel, during the period they are a bona fide registered guest at the motel or hotel. This temporary membership is not subject to the ten (10) day waiting period or annual dues of at least ten dollars (\$10.00).

Also, K.S.A. 41-2601 currently authorizes the licensing of class "B" private clubs on property owned or operated by a municipal airport in cities having a population of more than 200,000. Additionally, the statute created a new category of temporary members for clubs located on airport authority property owned or operated by a municipal authority. Persons possessing an air traveler's ticket may receive temporary memberships in such clubs for the date or dates that such ticket is valid. Senate Bill 750, if enacted, would extend these accommodations for travelers to trains, as well.

Attachment #6

SB 750
February 28, 1984

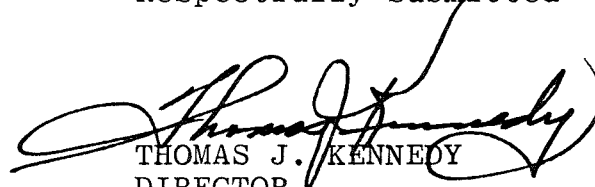
COMMENTS AND/OR RECOMMENDATIONS

If Senate Bill 750 is enacted in its present form, it would appear to be enforceable and would create minimal problems for the division.

All of the concerns we had as reflected in the attached memorandum have been addressed.

Recommend favorable consideration of this bill.

Respectfully submitted


THOMAS J. KENNEDY
DIRECTOR

TJK:cjk

MEMORANDUM

TO: Honorable Edward F. Reilly, Jr.
Chairman, Senate Federal and State Affairs Committee

FROM: THOMAS J. KENNEDY, Director, ABC Division

RE: Senate Bill 250

DATE: March 7, 1983

PURPOSE

The purpose of this memorandum is to provide follow-up information about Senate Bill 250.

PERSPECTIVE

Per your request, we have contacted Senator Bogina and Mr. D.J. Roberts (913/236-5711) Merriam, Kansas, the owner of the train. We also contacted the Federal Bureau of Alcohol Tobacco and Firearms in Kansas City, Mo. and the Nebraska Alcoholic Beverage Control.

It would appear that Senate Bill 250, with a few amendments, could be a workable piece of legislation. According to Dave Bateman, BATF, a train similar to the one referred to in this bill, would be required to purchase the same type of federal license as do the airlines, that being a Federal Retail Liquor Dealer's Stamp at large. The IRS Form #11 is the application form used and the cost is \$54.00 a year and is applicable for multi-state use.

The Nebraska Alcoholic Beverage Control spokesman stated they sell a railroad license to corporations for \$100 plus a registration fee, plus an additional charge of \$1 per car. This license is good from May 1 to April 30 and is not sold on a pro-rata basis. The holder of the Nebraska railroad license is the operator and authorized to allow consumption, selling and purchasing. Nebraska has no law which would prohibit the selling of Kansas liquor on railroad cars. No liquor tax is collected by Nebraska for sales which are made on railroad cars.

Mr. D.J. Roberts informed us that he would actually own all of the railroad cars and equipment. He will be leasing the engine and the engine crew from a railroad. At the present time, he is not sure where the train will be located, however, he could possibly enter into an agreement with the Rosedale Burlington Yard located at 36 Southwest Blvd., Kansas City, Kansas. Mr. Roberts also discussed the possibility of locating the train and equipment in Kansas City, Missouri.

COMMENTS AND/OR RECOMMENDATIONS

1. Recommend that the train cars be located somewhere in the State of Kansas. The reason for this recommendation is that the train car premises would be available for inspection.

2. Recommend that Senate Bill 250 be amended to state that any and all alcoholic liquor taxes due the state be paid from the county in which the train cars are located. This will solve the 10% excise tax distribution problem.

For example, if the train is parked at the Rosedale Burlington yards in Kansas City, Kansas, Wyandotte County, would receive that portion of the 10% excise tax money which is returned to the city or county where the club is located.

3. Recommend that a provision be included in the bill that would authorize rules and regulations to be promulgated to take care of records and reports, collection and payment of taxes for this train or trains.

5. Recommend that the Director of Alcoholic Beverage Control be authorized to enter into a Memorandum of Record and Agreement with the licensee with respect to other provisions of the Kansas Club Licensing Act and related rules and regulations. For example, the state class "B" club license, the local license (county or city) as well as the Federal Retail Dealer's Stamp at large, should all be displayed prominently in the main club car.

That alcoholic liquors be purchased from a Kansas retail liquor dealer, who possesses the Federal Wholesaler's Basic Permit.

That ABC Agents have the right to make routine inspections.

That all employees engaged in selling, dispensing or serving alcoholic liquor will be registered with the Director.

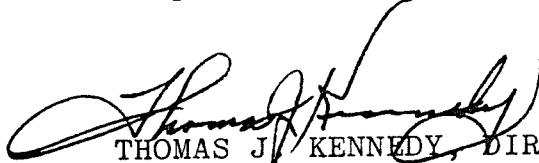
That the temporary membership roster is available for inspection as well as liquor store receipts of purchases. These receipts must be kept on the premises with written authorization, receipts older than for the current month could be kept in Mr. Robert's main office, a place available to our inspectors.

That the club, like all other class "B" clubs be required to make monthly reports pertaining to liquor purchases, sales and excise tax payments, etc.

That the licensee submit a monthly list of all trips planned to include destination, time of departure, expected time of arrival and expected time of return.

COMMENT: Such a Memorandum of Record and Agreement of this nature, signed by the Director of ABC and the licensee, would bring these matters to the attention of the licensee thus avoiding misunderstandings, etc.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas J. Kennedy", written in a cursive style.

THOMAS J. KENNEDY, DIRECTOR
Alcoholic Beverage Control Division

TJK:cjk

2/28/84
Attachment #7

From K.S.A. 1983 Supp. 79-4701 as printed
in SB 401, page 1. [Present law.]

0038 (a) "Bingo" means a game in which each participant must
0039 pay a charge and a prize or prizes are awarded to the winner or
0040 winners in which each participant receives one or more cards or
0041 in which a card or cards are included in a paper game program
0042 booklet each of which is marked off into 25 squares arranged in
0043 five horizontal rows of five squares each and five vertical rows of
0044 five squares each, with each square being designated by
0045 number, letter or combination of numbers and letters, and only
0046 the center square designated with the word "free" with no two
0047 cards being identical, with the players covering squares as the
0048 operator of such game announces a number, letter or combina-
0049 tion of numbers and letters appearing on an object selected by
0050 chance, either manually or mechanically from a receptacle in
0051 which have been placed objects bearing numbers, letters or
0052 combinations of numbers and letters corresponding to the sys-
0053 tem used for designating the squares, with the winner of each
0054 game being the player or players first properly covering a pre-
0055 determined and announced pattern of squares upon the card or a
0056 card which is included in a paper game program booklet being
0057 used by such player or players.

From K.S.A. 1983 Supp. 79-4706 as printed
in SB 770, page 2. [This subsection as
amended by SB 401.]

0071 (i) The charge made for a single card to play in games other
0072 than jackpot or special games shall be \$.50 and such card shall be
0073 valid for all regular games conducted or operated by the licensee
0074 on a particular day; the charge made for a single card to play in
0075 any single jackpot or special game shall be \$.50. Paper game
0076 program booklets with multiple bingo cards printed on the pages
0077 thereof are permitted so long as the charge made for a regular
0078 game program booklet is \$.50, except that the charge for such
0079 game program booklet may be increased by an amount of \$.50 for
0080 each single jackpot or special game in the game program booklet.

Attachment #7

2/28/89
Attachment # 8

0046 operation of bingo games if such person, within five years prior
0047 to such participation, has been convicted of or pleaded guilty or
0048 *nolo contendere* to any felony or illegal gambling activity or
0049 purchased a tax stamp for wagering or gambling activity.

0050 (e) No person may receive any remuneration or profit for
0051 participating in the management, conduct or operation of any
0052 game of bingo.

0053 (f) The aggregate value of all prizes including the retail value
0054 of all merchandise awarded or offered by any such organization
0055 on any single day to winners of games of bingo shall not exceed
0056 \$1,200, and any prize awarded in cash of \$100 or more shall be
0057 paid by a check drawn on the bingo trust bank account of the
0058 licensee.

0059 (g) The total number of games managed, operated or con-
0060 ducted by any licensee in any one day shall not exceed 25 and
0061 not more than five of such games shall be jackpot or special
0062 games and not more than one licensee may conduct bingo games
0063 at a given location or registered premises in any one calendar
0064 day.

0065 (h) The prize awarded in any one regular game shall not
0066 exceed \$50 in cash or its equivalent and such prize in any one
0067 jackpot or special game shall not exceed \$500 in cash or its
0068 equivalent. The retail value of any merchandise received by a
0069 winner of a bingo game shall be considered as the cash value for
0070 the purposes of determining the value of the prize.

reusable

0071 (i) The charge made for a single card to play in games other
0072 than jackpot or special games shall be \$.50 and such card shall be
0073 valid for all regular games conducted or operated by the licensee
0074 on a particular day; the charge made for a single card to play in
0075 any single jackpot or special game shall be \$.50. Paper game

reusable

Non-reusable

0076 program booklets with multiple bingo cards printed on the pages
0077 thereof are permitted, ~~so long as the charge made for a regular~~
0078 ~~game program booklet is \$.50, except that the charge for such~~
0079 ~~game program booklet may be increased by an amount of \$.50 for~~
0080 ~~each single jackpot or special game in the game program booklet.~~

sheets or

The charge made for each such sheet or booklet shall be determined as follows: \$.50 for each set of cards sufficient to have one card for each regular game conducted or operated by the licensee on a particular day; \$.50 for each card used in any single jackpot or special game.

Attachment # 8

0081 (j) Games of bingo shall not be managed, operated or con-
0082 ducted by any licensee on more than two calendar days in any