

Approved May 23, 1984
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Edward F. Reilly, Jr. at
Chairperson

11:05 a.m./~~p.m.~~ on April 28, 1984 in room 254-E of the Capitol.

All members were present except:

Senator Meyers was excused.

Committee staff present:

Fred Carman, Assistant Revisor of Statutes
Russell Mills, Legislative Research
Emalene Correll, Legislative Research
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

The Chairman called the Committee's attention to HB2779. A proposed amendment which is a part of these amendments, Attachment #1, was introduced to the Committee for discussion.

Following discussion Senator Daniels moved to recommend HB2779 in the hand-out form favorably. 2d by Senator Gannon. Senator Pomeroy made the motion to divide the motion. Senator Daniels withdrew her motion.

Senator Daniels moved to adopt the proposed amendments. 2d by Senator Gannon. Motion carried. Senator Daniels moved to recommend the bill favorably. The motion failed for lack of a second.

The meeting was adjourned at 11:15 a.m.

Attachment #1
4/28/84

Proposed Amendment to House Bill No. 2779
(As Amended by House Committee)

On page 18, in line 658, after "person", by inserting ", except manufacturers or distributors,";

On page 23, following line 847, by inserting the following:

"Sec. 26. On the effective date of this act, K.S.A. 1983 Supp. 41-311 is hereby amended to read as follows: 41-311. (a) No license of any kind shall be issued to a person:

(1) Who has not been a citizen of the United States for at least 10 years.

(2) Who has been convicted of a felony under the laws of this state, any other state or the United States except that this paragraph shall not apply to any person who was convicted under the laws of the United States of a nonviolent felony and who was sentenced, at least five years immediately prior to the date of the person's application for a license, to probation.

(3) Who has been convicted of a violation of intoxicating liquor laws of any state or the alcoholic beverage control laws of the United States or has forfeited bond to appear in court to answer charges for any such violation, within the 10 years immediately prior to the date of the person's application for a license.

(4) Who has been convicted of a violation of any of the laws of any state relating to cereal malt beverages, within 10 years immediately prior to the date of the person's application for a license.

(5) Who has had a license revoked for cause under the provisions of this act or who has had any license issued under the cereal malt beverage laws of any state revoked for cause except that a license may be issued to a person whose license was revoked for the conviction of a misdemeanor at any time after the lapse of 10 years following the date of the revocation.

(6) Who has been convicted of being the keeper or is keeping a house of prostitution or has forfeited bond to appear in court to answer charges of being a keeper of a house of

Atch. 1

prostitution.

(7) Who has been convicted of being a proprietor of a gambling house, pandering or any other crime opposed to decency and morality or has forfeited bond to appear in court to answer charges for any of those crimes.

(8) Who is not at least 21 years of age.

(9) Who appoints or is a law enforcement official or who is an employee of the director or the board.

(10) Who intends to carry on the business authorized by the license as agent of another.

(11) Who at the time of application for renewal of any license issued under this act would not be eligible for the license upon a first application.

(12) Who is the holder of a valid and existing license issued under the laws of this state relating to cereal malt beverages and malt products unless the person agrees to and does surrender the license to the officer issuing the same upon the issuance to the person of a license under this act, except that a holder of a cereal malt beverages wholesaler's license shall be eligible to receive a beer distributor's license under this act.

(13) Who does not own the premises for which a license is sought, or does not have a written lease thereon for at least 3/4 of the period for which the license is to be issued.

(14) Whose spouse would be ineligible to receive a license under this act for any reason other than citizenship, residence requirements, age or conviction of a violation of K.S.A. 8-1567, and amendments thereto, or the ordinance of a city in this state which prohibits the acts prohibited by such statute, or forfeiture of bond to appear in court to answer charges for any such violation.

(b) No retailer's or farm winery license shall be issued to a:

(1) Person who is not a resident of the county in which the premises sought to be licensed are located.

(2) Person who has not been, for at least five years

immediately preceding the date of application, a resident of the county in which the premises covered by the license are located or a person who has not been a resident of this state for a total of at least 10 years preceding the date of application, except that, if the premises sought to be licensed are located in a city which is located in two or more counties and the applicant for license is a resident of either county, the applicant shall be deemed to be a resident of each county for the purpose of qualification.

(3) Person who has beneficial interest in the manufacture, preparation or wholesaling of alcoholic beverages.

(4) Person or copartnership or association who has beneficial interest in any other retail establishment licensed under this act.

(5) Copartnership, unless all of the copartners are qualified to obtain a license.

(6) Corporation.

(c) No manufacturer's license or farm winery license, if the winery sells any wine to a distributor, shall be issued to:

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

(2) A copartnership, unless all of the copartners shall have been residents of this state for at least five years immediately preceding the date of application and unless all the members of the copartnership would be eligible to receive a manufacturer's license under this act.

(3) An individual who has not been a resident of this state for at least five years immediately preceding the date of application.

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

(1) A corporation, if any officer, manager, director or stockholder of the corporation would be ineligible to receive a

distributor's license for any reason. It shall be unlawful for any stockholder of a corporation licensed as a distributor to transfer any stock in the corporation to any person who would be ineligible to receive a distributor's license for any reason, and any such transfer shall be null and void, except that: (A) If any stockholder owning stock in the corporation dies and an heir or devisee to whom stock of the corporation descends by descent and distribution or by will is ineligible to receive a distributor's license, the legal representatives of the deceased stockholder's estate and the ineligible heir or devisee shall have 14 months from the date of the death of the stockholder within which to sell the stock to a person eligible to receive a distributor's license, any such sale by a legal representative to be made in accordance with the provisions of the probate code; or (B) if the stock in any such corporation is the subject of any trust and any trustee or beneficiary of the trust who is 21 years of age or older is ineligible to receive a distributor's license, the trustee, within 14 months after the effective date of the trust, shall sell the stock to a person eligible to receive a distributor's license and hold and disburse the proceeds in accordance with the terms of the trust. If any legal representatives, heirs, devisees or trustees fail, refuse or neglect to sell any stock as required by this subsection, the stock shall revert to and become the property of the corporation, and the corporation shall pay to the legal representatives, heirs, devisees or trustees the book value of the stock. During the period of 14 months prescribed by this subsection, the corporation shall not be denied a distributor's license or have its distributor's license revoked if the corporation meets all of the other requirements necessary to have a distributor's license.

(2) A copartnership, unless all of the copartners are eligible to receive a distributor's license.

(3) An individual who has not been a resident of this state for at least 10 years immediately preceding the date of application, except that:

(A) A wholesaler of cereal malt beverages properly licensed on September 1, 1948, shall be eligible for a beer distributor's license; and

(B) a person who has been a resident of the state for at least five years immediately preceding the date of application shall be eligible for a beer distributor's license.

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

Also by making the bill effective in the Kansas Register and sections 1 to 24, inclusive, take effect on July 1, 1984, and change the repealer, effective date and title parts of the bill accordingly