

**SENATE BILL No. 299**

By Committee on Federal and State Affairs

1-18

1 AN ACT concerning alcoholic beverages; relating to the club and drinking  
2 establishment act; creating a public venue license; amending K.S.A.  
3 41-306, 41-306a, 41-307, 41-308, 41-701, 41-2608, 41-2613, 41-2614  
4 and ~~{,}~~ 41-2640~~{,}~~ **79-4101, 79-4102, 79-4103, 79-41a01, 79-41a02, 79-**  
5 **41a04, 79-41a06, 79-41a07 and 79-41a08** and K.S.A. 2011 Supp. 41-  
6 308a, 41-2601, 41-2622 and ~~{,}~~ 41-2629 ~~{and 79-41a03}~~ and repealing  
7 the existing sections.  
8

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

10 New Section 1. (a) A license for a public venue shall allow the  
11 licensee to:

12 (1) Offer for sale, sell and serve alcoholic liquor by the individual  
13 drink for consumption on the licensed premises;

14 (2) offer for sale, sell and serve unlimited drinks for a fixed price in  
15 designated areas of the licensed premises;

16 (3) offer for sale and sell all inclusive packages which include  
17 unlimited drinks in designated areas of the licensed premises;

18 (4) offer for sale, sell and serve alcoholic liquor in the original  
19 container for consumption on the licensed premises in private suites,  
20 which are enclosed or semi-enclosed seating areas, having controlled  
21 access and separated from the general admission areas by a permanent  
22 barrier;

23 (5) store, in each private suite, which are enclosed or semi-enclosed  
24 seating areas, having controlled access and separated from the general  
25 admission areas by a permanent barrier, alcoholic liquor sold in the  
26 original container to a customer in that private suite; and

27 (6) with the approval of the retailer or distributor, return for a full  
28 refund of the original purchase price unopened containers of alcoholic  
29 liquor to the retailer or distributor from whom such items were purchased  
30 upon the conclusion of an event if the next scheduled event for that  
31 premises is more than 90 days from the date of the concluded event.

32 (b) An applicant or public venue licensee shall specify in the  
33 application for a license, or renewal of a license, the premises to be  
34 licensed, which may include all premises which are in close proximity and  
35 are under the control of the applicant or licensee. No public venue  
36 licensee may offer for sale, sell or serve any alcoholic liquor in any area

1 not included in the licensed premises.

2 Sec. 2. K.S.A. 41-306 is hereby amended to read as follows: 41-306.  
3 A spirits distributor's license, shall allow:

4 (a) The wholesale purchase, importation and storage of spirits, but all  
5 such spirits so purchased or imported which are manufactured in the  
6 United States shall be purchased from the primary American source of  
7 supply or from another licensed spirits distributor, except that a licensed  
8 spirits distributor may purchase confiscated spirits at a sheriff's sale.

9 (b) The sale of spirits to:

10 (1) Spirits distributors licensed in this state;

11 (2) retailers licensed in this state, except that such distributor shall  
12 sell a brand of spirits only to those retailers whose licensed premises are  
13 located in the geographic territory within which such distributor is  
14 authorized to sell such brand, as designated in the notice or notices filed  
15 with the director pursuant to K.S.A. 41-410, and amendments thereto; and

16 (3) such persons located outside such territory or outside this state as  
17 permitted by law.

18 (c) The purchase of spirits in barrels, casks or other bulk containers  
19 and the bottling thereof before resale, but all bottles or containers filled  
20 with such spirits shall be sealed, labeled and otherwise made to comply  
21 with all laws and rules and regulations governing the preparation and  
22 bottling of spirits by manufacturers and with all federal rules, regulations  
23 and laws.

24 (d) The storage and delivery to a retailer licensed under the Kansas  
25 liquor control act or a retailer licensed under K.S.A. 41-2702, and  
26 amendments thereto, on the distributor's licensed premises, of alcoholic  
27 liquor or cereal malt beverage of another licensed distributor authorized by  
28 law to sell such alcoholic liquor or cereal malt beverage to such retailer, in  
29 accordance with an agreement entered into with such other distributor and  
30 approved by the director.

31 (e) *The storage and delivery to a public venue licensed under the*  
32 *club and drinking establishment act of alcoholic liquor purchased by the*  
33 *public venue licensee from a retailer authorized by law to sell such*  
34 *alcoholic liquor to such public venue licensee.*

35 Sec. 3. K.S.A. 41-306a is hereby amended to read as follows: 41-  
36 306a. A wine distributor's license shall allow:

37 (a) The wholesale purchase, importation and storage of wine, but all  
38 wine so purchased or imported which is manufactured in the United States  
39 shall be purchased from the primary American source of supply or from  
40 another licensed wine distributor, except that a licensed wine distributor  
41 may purchase confiscated wine at a sheriff's sale.

42 (b) The sale of wine to:

43 (1) Wine distributors licensed in this state;

1 (2) retailers licensed in this state, except that such distributor shall  
2 sell a brand of wine only to those retailers whose licensed premises are  
3 located in the geographic territory within which such distributor is  
4 authorized to sell such brand, as designated in the notice or notices filed  
5 with the director pursuant to K.S.A. 41-410, and amendments thereto; and

6 (3) such persons located outside such territory or outside this state as  
7 permitted by law.

8 (c) The sale of wine, but only in barrels, casks and other bulk  
9 containers, to:

10 (1) Licensed caterers; and

11 (2) *public venues*, clubs and drinking establishments licensed in this  
12 state, except that such distributor shall sell a brand of wine only to such  
13 *public venues*, clubs and drinking establishments the licensed premises of  
14 which are located in the geographic territory within which such distributor  
15 is authorized to sell such brand, as designated in the notice or notices filed  
16 with the director pursuant to K.S.A. 41-410, and amendments thereto.

17 (d) The purchase of wine in barrels, casks or other bulk containers  
18 and the bottling thereof before resale, but all bottles or containers filled  
19 with such wine shall be sealed, labeled and otherwise made to comply with  
20 all laws and rules and regulations governing the preparation and bottling of  
21 wine by manufacturers and with all federal rules, regulations and laws.

22 (e) The storage and delivery to a retailer licensed under the Kansas  
23 liquor control act or a retailer licensed under K.S.A. 41-2702, and  
24 amendments thereto, on the distributor's licensed premises, of alcoholic  
25 liquor or cereal malt beverage of another licensed distributor authorized by  
26 law to sell such alcoholic liquor or cereal malt beverage to such retailer, in  
27 accordance with an agreement entered into with such other distributor and  
28 approved by the director.

29 (f) This section shall be part of and supplemental to the Kansas liquor  
30 control act.

31 Sec. 4. K.S.A. 41-307 is hereby amended to read as follows: 41-307.  
32 A beer distributor's license shall allow:

33 (a) The wholesale purchase, importation and storage of beer.

34 (b) The sale of beer to:

35 (1) Licensed caterers;

36 (2) beer distributors licensed in this state;

37 (3) retailers, *public venues*, clubs and drinking establishments,  
38 licensed in this state, except that such distributor shall sell a brand of beer  
39 only to those retailers, *public venues*, clubs and drinking establishments of  
40 which the licensed premises are located in the geographic territory within  
41 which such distributor is authorized to sell such brand, as designated in the  
42 notice or notices filed with the director pursuant to K.S.A. 41-410, and  
43 amendments thereto; and

1 (4) such persons located outside such territory or outside this state as  
2 permitted by law.

3 (c) The sale of cereal malt beverage to:

4 (1) Beer distributors licensed in this state;

5 (2) clubs and drinking establishments, licensed in this state, and  
6 retailers licensed under K.S.A. 41-2702, and amendments thereto, except  
7 that such distributor shall sell a brand of cereal malt beverage only to those  
8 such clubs, drinking establishments and retailers of which the licensed  
9 premises are located in the geographic territory within which such  
10 distributor is authorized to sell such brand, as designated in the notice or  
11 notices filed with the director pursuant to K.S.A. 41-410, and amendments  
12 thereto; and

13 (3) such persons located outside such territory or outside this state as  
14 permitted by law.

15 (d) The purchase of cereal malt beverage in kegs or other bulk  
16 containers and the bottling or canning thereof in accordance with law.

17 (e) The storage and delivery to a retailer licensed under the Kansas  
18 liquor control act or a retailer licensed under K.S.A. 41-2702, and  
19 amendments thereto, on the distributor's licensed premises, of alcoholic  
20 liquor or cereal malt beverage of another licensed distributor authorized by  
21 law to sell such alcoholic liquor or cereal malt beverage to such retailer, in  
22 accordance with an agreement entered into with such other distributor and  
23 approved by the director.

24 (f) *The storage and delivery, with proper invoicing in accordance*  
25 *with rules and regulations adopted by the secretary, on the premises of a*  
26 *public venue licensee, of beer sold to or available for purchase by the*  
27 *public venue during an event.*

28 Sec. 5. K.S.A. 41-308 is hereby amended to read as follows: 41-308.

29 (a) A retailer's license shall allow the licensee to sell and offer for sale at  
30 retail and deliver in the original package, as therein prescribed, alcoholic  
31 liquor for use or consumption off of and away from the premises specified  
32 in such license. A retailer's license shall permit sale and delivery of  
33 alcoholic liquor only on the licensed premises and shall not permit sale of  
34 alcoholic liquor for resale in any form, except that a licensed retailer may:

35 (1) Sell alcoholic liquor to a temporary permit holder for resale by  
36 such permit holder; and

37 (2) sell and deliver alcoholic liquor to a caterer or to the licensed  
38 premises of a *public venue*, club or drinking establishment, if such  
39 premises are in the county where the retailer's premises are located or in an  
40 adjacent county, for resale by such *public venue*, club, establishment or  
41 caterer.

42 (b) The holder of a retailer's license shall not sell, offer for sale, give  
43 away or permit to be sold, offered for sale or given away in or from the

1 premises specified in such license any service or thing of value whatsoever  
2 except alcoholic liquor in the original package, except that a licensed  
3 retailer may:

4 (1) Charge a delivery fee for delivery to a *public venue*, club,  
5 drinking establishment or caterer pursuant to subsection (a);

6 (2) sell lottery tickets and shares to the public in accordance with the  
7 Kansas lottery act, if the retailer is selected as a lottery retailer;

8 (3) include in the sale of alcoholic liquor any goods included by the  
9 manufacturer in packaging with the alcoholic liquor, subject to the  
10 approval of the director; and

11 (4) distribute to the public, without charge, consumer advertising  
12 specialities bearing advertising matter, subject to rules and regulations of  
13 the secretary limiting the form and distribution of such specialities so that  
14 they are not conditioned on or an inducement to the purchase of alcoholic  
15 liquor.

16 (c) No licensed retailer shall furnish any entertainment in such  
17 premises or permit any pinball machine or game of skill or chance to be  
18 located in or on such premises.

19 (d) A retailer's license shall allow the licensee to store alcoholic  
20 liquor in refrigerators, cold storage units, ice boxes or other cooling  
21 devices, and the licensee may sell such alcoholic liquor to consumers in a  
22 chilled condition.

23 Sec. 6. K.S.A. 2011 Supp. 41-308a is hereby amended to read as  
24 follows: 41-308a. (a) A farm winery license shall allow:

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

28 (2) the sale of wine, manufactured by the licensee, to licensed wine  
29 distributors, retailers, *public venues*, clubs, drinking establishments,  
30 holders of temporary permits as authorized by K.S.A. 41-2645, and  
31 amendments thereto, and caterers;

32 (3) the sale, on the licensed premises in the original unopened  
33 container to consumers for consumption off the licensed premises, of wine  
34 manufactured by the licensee;

35 (4) the serving free of charge on the licensed premises and at special  
36 events, monitored and regulated by the division of alcoholic beverage  
37 control, of samples of wine manufactured by the licensee or imported  
38 under subsection (f) (e), if the premises are located in a county where the  
39 sale of alcoholic liquor is permitted by law in licensed drinking  
40 establishments;

41 (5) if the licensee is also licensed as a club or drinking establishment,  
42 the sale of domestic wine, domestic fortified wine and other alcoholic  
43 liquor for consumption on the licensed premises as authorized by the club

1 and drinking establishment act;

2 (6) if the licensee is also licensed as a caterer, the sale of domestic  
3 wine, domestic fortified wine and other alcoholic liquor for consumption  
4 on the unlicensed premises as authorized by the club and drinking  
5 establishment act;

6 (7) the sale and shipping, in the original unopened container, to  
7 consumers outside this state of wine manufactured by the licensee,  
8 provided that the licensee complies with applicable laws and rules and  
9 regulations of the jurisdiction to which the wine is shipped; and

10 (8) the sale and shipping of wine within this state pursuant to a permit  
11 issued pursuant to K.S.A. 2011 Supp. 41-350, and amendments thereto.

12 (b) Upon application and payment of the fee prescribed by K.S.A. 41-  
13 310, and amendments thereto, by a farm winery licensee, the director may  
14 issue not to exceed three winery outlet licenses to the farm winery  
15 licensee. A winery outlet license shall allow:

16 (1) The sale, on the licensed premises in the original unopened  
17 container to consumers for consumption off the licensed premises, of wine  
18 manufactured by the licensee;

19 (2) the serving on the licensed premises of samples of wine  
20 manufactured by the licensee or imported under subsection (f), if the  
21 premises are located in a county where the sale of alcoholic liquor is  
22 permitted by law in licensed drinking establishments; and

23 (3) the manufacture of domestic table wine and domestic fortified  
24 wine and the storage thereof; provided, that the aggregate quantity of wine  
25 produced by the farm winery licensee, including all winery outlets, shall  
26 not exceed 100,000 gallons per year.

27 (c) Not less than 60% of the products utilized in the manufacture of  
28 domestic table wine and domestic fortified wine by a farm winery shall be  
29 grown in Kansas except when a lesser proportion is authorized by the  
30 director based upon the director's findings and judgment. The label of  
31 domestic wine and domestic fortified wine shall indicate that a majority of  
32 the products utilized in the manufacture of the wine at such winery were  
33 grown in Kansas.

34 (d) A farm winery or winery outlet may sell domestic wine and  
35 domestic fortified wine in the original unopened container to consumers  
36 for consumption off the licensed premises at any time between 6 a.m. and  
37 12 midnight on any day except Sunday and between 12 noon and 6 p.m.  
38 on Sunday. If authorized by subsection (a), a farm winery may serve  
39 samples of domestic wine, domestic fortified wine and wine imported  
40 under subsection (e) and serve and sell domestic wine, domestic fortified  
41 wine and other alcoholic liquor for consumption on the licensed premises  
42 at any time when a club or drinking establishment is authorized to serve  
43 and sell alcoholic liquor. If authorized by subsection (b), a winery outlet

1 may serve samples of domestic wine, domestic fortified wine and wine  
2 imported under subsection (e) at any time when the winery outlet is  
3 authorized to sell domestic wine and domestic fortified wine.

4 (e) The director may issue to the Kansas state fair or any bona fide  
5 group of grape growers or wine makers a permit to import into this state  
6 small quantities of wines. Such wine shall be used only for bona fide  
7 educational and scientific tasting programs and shall not be resold. Such  
8 wine shall not be subject to the tax imposed by K.S.A. 41-501, and  
9 amendments thereto. The permit shall identify specifically the brand and  
10 type of wine to be imported, the quantity to be imported, the tasting  
11 programs for which the wine is to be used and the times and locations of  
12 such programs. The secretary shall adopt rules and regulations governing  
13 the importation of wine pursuant to this subsection and the conduct of  
14 tasting programs for which such wine is imported.

15 (f) A farm winery license or winery outlet license shall apply only to  
16 the premises described in the application and in the license issued and only  
17 one location shall be described in the license.

18 (g) No farm winery or winery outlet shall:

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

21 (2) permit any employee of the licensee who is under the age of 21  
22 years to work on the licensed premises at any time when not under the on-  
23 premise supervision of either the licensee or an employee of the licensee  
24 who is 21 years of age or over;

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

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

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

34 (i) This section shall be part of and supplemental to the Kansas liquor  
35 control act.

36 Sec. 7. K.S.A. 41-701 is hereby amended to read as follows: 41-701.

37 (a) Except as provided in subsection (d), no spirits distributor shall sell or  
38 attempt to sell any spirits within this state except to:

39 (1) A licensed manufacturer, licensed nonbeverage user or licensed  
40 spirits distributor; or

41 (2) a licensed retailer, as authorized by K.S.A. 41-306, and  
42 amendments thereto.

43 (b) Except as provided in subsection (d), no wine distributor shall sell

1 or attempt to sell any wine within this state except to:

2 (1) A licensed manufacturer, licensed nonbeverage user or licensed  
3 wine distributor;

4 (2) a licensed caterer; or

5 (3) a retailer, *public venue*, club or drinking establishment, licensed in  
6 this state, as authorized by K.S.A. 41-306a, *and amendments thereto*.

7 (c) Except as provided by subsection (d), no beer distributor shall sell  
8 or attempt to sell any beer or cereal malt beverage within this state except  
9 to:

10 (1) A licensed manufacturer, licensed nonbeverage user or licensed  
11 beer distributor;

12 (2) a licensed caterer; or

13 (3) a retailer licensed under the Kansas liquor control act or under  
14 K.S.A. 41-2702, and amendments thereto, or a club or drinking  
15 establishment, licensed in this state, as authorized by *K.S.A. 41-307*, and  
16 amendments thereto.

17 (d) (1) If any spirits distributor refuses to sell spirits which such  
18 distributor is authorized to sell or refuses to provide any service in  
19 connection therewith to any licensed retailer as authorized by K.S.A. 41-  
20 306, and amendments thereto, it shall be lawful for any other licensed  
21 spirits distributor to sell such spirits to such retailer.

22 (2) If any wine distributor refuses to sell wine which such distributor  
23 is authorized to sell or refuses to furnish service in connection therewith to  
24 any licensed retailer, as authorized by K.S.A. 41-306a, *and amendments*  
25 *thereto*, it shall be lawful for any other licensed wine distributor to sell  
26 such wine to such retailer.

27 (3) If any beer distributor refuses to sell beer or cereal malt beverage  
28 which such distributor is authorized to sell or provide service in  
29 connection therewith to any retailer licensed under this act or under K.S.A.  
30 41-2702, and amendments thereto, as authorized by K.S.A. 41-307, and  
31 amendments thereto, it shall be lawful for any other licensed beer  
32 distributor to sell such beer or cereal malt beverage to such retailer.

33 (e) No manufacturer of alcoholic liquor or cereal malt beverage shall  
34 sell or attempt to sell any alcoholic liquor or cereal malt beverage within  
35 this state except to a licensed manufacturer, licensed distributor or licensed  
36 nonbeverage user.

37 (f) No supplier, wholesaler, distributor, manufacturer or importer  
38 shall by oral or written contract or agreement, expressly or impliedly fix,  
39 maintain, coerce or control the resale price of alcoholic liquor, beer or  
40 cereal malt beverage to be resold by such wholesaler, distributor,  
41 manufacturer or importer.

42 (g) Any supplier, wholesaler, distributor or manufacturer violating the  
43 provisions of this section shall be guilty of a misdemeanor and upon



1 conviction thereof shall be punished by a fine of not less than \$500 and not  
2 more than \$1,000, to which may be added not to exceed six months'  
3 imprisonment. In addition, any supplier, wholesaler, distributor,  
4 manufacturer or importer violating the provisions of this section relating to  
5 fixing, maintaining or controlling the resale price of alcoholic liquor, beer  
6 or cereal malt beverage shall be liable in a civil action to treble the amount  
7 of any damages awarded plus reasonable attorney fees for the damaged  
8 party.

9 Sec. 8. K.S.A. 2011 Supp. 41-2601 is hereby amended to read as  
10 follows: 41-2601. As used in the club and drinking establishment act:

11 (a) The following terms shall have the meanings provided by K.S.A.  
12 41-102, and amendments thereto: (1) "Alcoholic liquor"; (2) "director"; (3)  
13 "original package"; (4) "person"; (5) "sale"; and (6) "to sell."

14 (b) "Beneficial interest" shall not include any interest a person may  
15 have as owner, operator, lessee or franchise holder of a licensed hotel or  
16 motel on the premises of which a club or drinking establishment is located.

17 (c) "Caterer" means an individual, partnership or corporation which  
18 sells alcoholic liquor by the individual drink, and provides services related  
19 to the serving thereof, on unlicensed premises which may be open to the  
20 public, but does not include a holder of a temporary permit, selling  
21 alcoholic liquor in accordance with the terms of such permit.

22 (d) "Cereal malt beverage" has the meaning provided by K.S.A. 41-  
23 2701, and amendments thereto.

24 (e) "Class A club" means a premises which is owned or leased by a  
25 corporation, partnership, business trust or association and which is  
26 operated thereby as a bona fide nonprofit social, fraternal or war veterans'  
27 club, as determined by the director, for the exclusive use of the corporate  
28 stockholders, partners, trust beneficiaries or associates (hereinafter referred  
29 to as members) and their families and guests accompanying them.

30 (f) "Class B club" means a premises operated for profit by a  
31 corporation, partnership or individual, to which members of such club may  
32 resort for the consumption of food or alcoholic beverages and for  
33 entertainment.

34 (g) "Club" means a class A or class B club.

35 ~~(h) "Minibar" means a closed cabinet, whether nonrefrigerated or~~  
36 ~~wholly or partially refrigerated, access to the interior of which is restricted~~  
37 ~~by means of a locking device which requires the use of a key, magnetic~~  
38 ~~card or similar device.~~

39 ~~(h)~~ (h) "Drinking establishment" means premises which may be open  
40 to the general public, where alcoholic liquor by the individual drink is  
41 sold.

42 ~~(i)~~ (i) "Food" means any raw, cooked or processed edible substance or  
43 ingredient, other than alcoholic liquor or cereal malt beverage, used or

1 intended for use or for sale, in whole or in part, for human consumption.

2 ~~(j)~~ (j) "Food service establishment" has the meaning provided by  
3 K.S.A. 36-501, and amendments thereto.

4 ~~(k)~~ (k) "Hotel" has the meaning provided by K.S.A. 36-501, and  
5 amendments thereto.

6 (l) *"Minibar" means a closed cabinet, whether nonrefrigerated or*  
7 *wholly or partially refrigerated, access to the interior of which is*  
8 *restricted by means of a locking device which requires the use of a key,*  
9 *magnetic card or similar device.*

10 (m) "Minor" means a person under 21 years of age.

11 (n) "Morals charge" means a charge involving prostitution; procuring  
12 any person; soliciting of a child under 18 years of age for any immoral act  
13 involving sex; possession or sale of narcotics, marijuana, amphetamines or  
14 barbiturates; rape; incest; gambling; illegal cohabitation; adultery; bigamy;  
15 or a crime against nature.

16 (o) "Municipal corporation" means the governing body of any county  
17 or city.

18 (p) *"Public venue" means an arena, stadium, hall or theater, used*  
19 *primarily for athletic or sporting events, live concerts, live theatrical*  
20 *productions or similar seasonal entertainment events, not operated on a*  
21 *daily basis, and containing:*

22 (1) *Not less than 4,000 permanent seats; and*

23 (2) *not less than two private suites, which are enclosed or semi-*  
24 *enclosed seating areas, having controlled access and separated from the*  
25 *general admission areas by a permanent barrier.*

26 ~~(q)~~ (q) "Restaurant" means:

27 (1) In the case of a club, a licensed food service establishment which,  
28 as determined by the director, derives from sales of food for consumption  
29 on the licensed club premises not less than 50% of its gross receipts from  
30 all sales of food and beverages on such premises in a 12-month period;

31 (2) in the case of a drinking establishment subject to a food sales  
32 requirement under K.S.A. 41-2642, and amendments thereto, a licensed  
33 food service establishment which, as determined by the director, derives  
34 from sales of food for consumption on the licensed drinking establishment  
35 premises not less than 30% of its gross receipts from all sales of food and  
36 beverages on such premises in a 12-month period; and

37 (3) in the case of a drinking establishment subject to no food sales  
38 requirement under K.S.A. 41-2642, and amendments thereto, a licensed  
39 food service establishment.

40 ~~(r)~~ (r) "RV resort" means premises where a place to park recreational  
41 vehicles, as defined in K.S.A. 75-1212, and amendments thereto, is offered  
42 for pay, primarily to transient guests, for overnight or longer use while  
43 such recreational vehicles are used as sleeping or living accommodations.

1       ~~(s)~~ (s) "Secretary" means the secretary of revenue.

2       ~~(t)~~ (t) "Temporary permit" means a temporary permit issued pursuant  
3 to K.S.A. 41-2645, and amendments thereto.

4       Sec. 9. K.S.A. 41-2608 is hereby amended to read as follows: 41-  
5 2608. (a) Any *public venue*, club or drinking establishment license  
6 issued pursuant to this act shall be for one particular premises which shall  
7 be stated in the application and in the license. *Not more than one premises*  
8 *licensed under the club and drinking establishment act shall exist at a*  
9 *single legal address.*

10       (b) No license shall be issued for a *public venue*, club or drinking  
11 establishment unless the city, township or county zoning code allows a  
12 club or drinking establishment at that location.

13       Sec. 10. K.S.A. 41-2613 is hereby amended to read as follows: 41-  
14 2613. The right of immediate entry to and inspection of any premises  
15 licensed as a *public venue*, club or drinking establishment or any premises  
16 where alcoholic liquor is sold by a holder of a temporary permit, or any  
17 premises subject to the control of any licensee or temporary permit holder,  
18 by any duly authorized officer or agent of the director, or by any law  
19 enforcement officer, shall be a condition on which every license or  
20 temporary permit is issued, and the application for, and acceptance of, any  
21 license or temporary permit shall conclusively be deemed to be the consent  
22 of the applicant and licensee or permit holder to such immediate entry and  
23 inspection. Such right of immediate entry and inspection shall be at any  
24 time when the premises are occupied and is not limited to hours when the  
25 club or drinking establishment is open for business. Such consent shall not  
26 be revocable during the term of the license or temporary permit. Refusal of  
27 such entry shall be grounds for revocation of the license or temporary  
28 permit.

29       Sec. 11. K.S.A. 41-2614 is hereby amended to read as follows: 41-  
30 2614. (a) Except as provided by subsection (c), no *public venue*, club or  
31 drinking establishment shall allow the serving, mixing or consumption of  
32 alcoholic liquor on its premises between the hours of 2:00 a.m. and 9:00  
33 a.m. on any day.

34       (b) No caterer shall allow the serving, mixing or consumption of  
35 alcoholic liquor between the hours of 2:00 a.m. and 6:00 a.m. on any day  
36 at an event catered by such caterer.

37       (c) A hotel of which the entire premises are licensed as a drinking  
38 establishment or as a drinking establishment/caterer may allow at any time  
39 the serving, mixing and consumption of alcoholic liquor and cereal malt  
40 beverage from a minibar in a guest room by guests registered to stay in  
41 such room, and guests of guests registered to stay in such room.

42       Sec. 12. K.S.A. 2011 Supp. 41-2622 is hereby amended to read as  
43 follows: 41-2622. (a) At the time application is made to the director for a

1 license pursuant to the club and drinking establishment act, the applicant  
2 shall pay the following license fee in the manner provided by K.S.A. 41-  
3 2606, and amendments thereto:

4 (1) For a class A club which is a bona fide nonprofit fraternal or war  
5 veterans' club, as defined by rules and regulations of the secretary, \$500;

6 (2) for a class A club which is a bona fide nonprofit social club, as  
7 defined by rules and regulations of the secretary, and which has not more  
8 than 500 members, \$1,000;

9 (3) for a class A club which is a bona fide nonprofit social club, as  
10 defined by rules and regulations of the secretary, and which has more than  
11 500 members, \$2,000;

12 (4) for a class B club, \$2,000;

13 ~~(5) for a drinking establishment, \$1,000;~~

14 ~~(6) for a hotel of which the entire premises are licensed as a drinking  
15 establishment, \$3,000;~~

16 ~~(7) (5) for a caterer, \$1,000;~~

17 ~~(8) for a drinking establishment/caterer, \$1,500; and~~

18 ~~(9) for a drinking establishment/caterer, if the drinking establishment  
19 is a hotel of which the entire premises are licensed as a drinking-  
20 establishment, \$3,500.~~

21 (b) On and after July 1, 2011, at the time an application is submitted  
22 to the director for a drinking establishment license pursuant to the club and  
23 drinking establishment act, the applicant shall pay the following license  
24 fee in the manner provided by K.S.A. 41-2606, and amendments thereto:

25 ~~(1) (6) for a drinking establishment, \$2,000;~~

26 ~~(2) (7) for a hotel of which the entire premises are licensed as a  
27 drinking establishment, \$6,000;~~

28 ~~(3) (8) for a drinking establishment/caterer, \$3,000; and~~

29 ~~(4) (9) for a drinking establishment/caterer, if the drinking  
30 establishment is a hotel of which the entire premises are licensed as a  
31 drinking establishment, \$7,000;~~

32 ~~(10) for a public venue with a maximum capacity of not more than  
33 10,000 persons, \$5,000;~~

34 ~~(11) for a public venue with a maximum capacity of not more than  
35 25,000 persons, \$10,000 { \$7,500 }; and~~

36 ~~(12) for a public venue with a maximum capacity exceeding 25,000  
37 persons, \$20,000 { \$10,000 }.~~

38 (e) (b) In addition to the fee provided by subsections (a) ~~and (b)~~, any  
39 city where the licensed premises of a club or drinking establishment are  
40 located or, if such licensed premises are not located in a city, the board of  
41 county commissioners of the county where the licensed premises are  
42 located may levy and collect a biennial occupation or license tax from the  
43 licensee in an amount equal to not less than \$200 nor more than \$500.

1 (c) In addition to the fee provided by subsection (a), any city where  
2 the licensed premises of a public venue is located or, if such licensed  
3 premises is not located in a city, the board of county commissioners of the  
4 county where the licensed premises is located may levy and collect a  
5 biennial occupation or license tax from the licensee in an amount not less  
6 than \$200.

7 (d) No occupational or excise tax or license fee other than that  
8 authorized by subsection (b) or (c) shall be levied by any city or county  
9 against or collected from a licensed *public venue*, club or drinking  
10 establishment.

11 (e) The director shall remit all moneys received under this section to  
12 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
13 and amendments thereto. Upon receipt of each such remittance, the state  
14 treasurer shall deposit the entire amount in the state treasury. Of each such  
15 deposit, 50% shall be credited to the state general fund, and the remaining  
16 50% shall be credited to the other state fees fund of the department of  
17 social and rehabilitation services. In addition to other purposes for which  
18 expenditures may be made from the other state fees fund of the department  
19 of social and rehabilitation services, expenditures may be made by the  
20 secretary of social and rehabilitation services for the purpose of  
21 implementing the powers and duties of the secretary under the provisions  
22 of K.S.A. 65-4006 and 65-4007, and amendments thereto.

23 Sec. 13. K.S.A. 2011 Supp. 41-2629 is hereby amended to read as  
24 follows: 41-2629. (a) A class B club ~~license~~, *drinking establishment*,  
25 *public venue* or caterer's license shall be issued for a term not to exceed  
26 two years after issuance, except as otherwise provided by law, unless  
27 sooner suspended or revoked as provided in this act.

28 ~~(b) Prior to July 1, 2011, a drinking establishment license shall be~~  
29 ~~issued for a term not to exceed one year after issuance, except as otherwise~~  
30 ~~provided by law, unless sooner suspended or revoked as provided by this~~  
31 ~~act. On and after July 1, 2011, a drinking establishment license shall be~~  
32 ~~issued for a term not to exceed two years after issuance, except as~~  
33 ~~otherwise provided by law, unless sooner suspended or revoked as~~  
34 ~~provided by this act.~~

35 ~~(c)~~ (b) The director, may, at the director's sole discretion and after  
36 examination of the circumstances, extend the license term of any license  
37 for not more than 30 days beyond such date the license would expire  
38 pursuant to this section. Any extension of the license term by the director  
39 pursuant to this section shall automatically extend the due date for  
40 payment by the licensee of any occupation or license tax levied by a city  
41 or township pursuant to K.S.A. 41-2622, and amendments thereto, by the  
42 same number of days the director has extended the license term.

43 ~~(d)~~ (c) A class B ~~license~~ *club*, drinking establishment ~~license~~, *public*

1 *venue* or caterer's license shall be purely a personal privilege and shall not  
2 constitute property, nor shall it be subject to attachment, garnishment or  
3 execution, nor shall it be alienable or transferable, voluntarily or  
4 involuntarily, or subject to being encumbered or hypothecated. A class B  
5 club ~~license~~, drinking establishment ~~license~~, *public venue* or caterer's  
6 license shall not descend by the laws of testate or intestate devolution, but  
7 shall cease or expire upon the death of the licensee subject to ~~the following~~  
8 ~~provision subsection (d)~~.

9 (e) (d) An executor, administrator or representative of the estate of  
10 any deceased holder of a class B club, drinking establishment, *public*  
11 *venue* or caterer's license, or the trustee of any insolvent or bankrupt class  
12 B club, drinking establishment, *public venue* or caterer's license may  
13 continue the licensee's business under order of the appropriate court and  
14 may exercise the privilege of the deceased, insolvent or bankrupt licensee  
15 after the death of such licensee or after such insolvency or bankruptcy  
16 until the expiration of such license, but in no case longer than one year  
17 after the death, insolvency or bankruptcy of such licensee.

18 (f) (e) When the licensee pays the full amount of the license fee upon  
19 application and is prevented from operating under such license in  
20 accordance with the provisions of this act for the entire second year of the  
21 license term, a refund shall be made of one-half of the license fee paid by  
22 such licensee. The secretary shall adopt, in accordance with K.S.A. 41-  
23 210, and amendments thereto, rules and regulations providing for the  
24 authorization of refunds of one-half of the license fee paid when the  
25 licensee does not use such license for the entire second year of the license  
26 term as a result of the cancellation of the license upon the request of the  
27 licensee for voluntary reasons.

28 Sec. 14. K.S.A. 41-2640 is hereby amended to read as follows: 41-  
29 2640. (a) No club, drinking establishment, caterer or holder of a temporary  
30 permit, nor any person acting as an employee or agent thereof, shall:

31 (1) Offer or serve any free cereal malt beverage or alcoholic liquor in  
32 any form to any person;

33 (2) offer or serve to any person a drink at a price that is less than the  
34 acquisition cost of the drink to the licensee or permit holder;

35 (3) sell, offer to sell or serve to any person an unlimited number of  
36 drinks during any set period of time for a fixed price, except at private  
37 functions not open to the general public or to the general membership of a  
38 club;

39 (4) sell, offer to sell or serve any drink to any person at any time at a  
40 price less than that charged all other purchasers of drinks on that day;

41 (5) increase the volume of alcoholic liquor contained in a drink or the  
42 size of a drink of cereal malt beverage without increasing proportionately  
43 the price regularly charged for the drink on that day;

1 (6) encourage or permit, on the licensed premises, any game or  
 2 contest which involves drinking alcoholic liquor or cereal malt beverage or  
 3 the awarding of drinks as prizes; or

4 (7) advertise or promote in any way, whether on or off the licensed  
 5 premises, any of the practices prohibited under subsections (a)(1) through  
 6 (6).

7 (b) *No public venue, nor any person acting as an employee or agent*  
 8 *thereof, shall:*

9 (1) *Offer or serve any free cereal malt beverage or alcoholic liquor*  
 10 *in any form to any person;*

11 (2) *offer or serve to any person a drink or original container of*  
 12 *alcoholic liquor or cereal malt beverage at a price that is less than the*  
 13 *acquisition cost of the drink or original container of alcoholic liquor or*  
 14 *cereal malt beverage to the licensee;*

15 (3) *sell or serve alcoholic liquor in glass containers to customers in*  
 16 *the general admission area;*

17 (4) *sell or serve more than two drinks per customer at any one time*  
 18 *in the general admission area;*

19 (5) *encourage or permit, on the licensed premises, any game or*  
 20 *contest which involves drinking alcoholic liquor or cereal malt beverage*  
 21 *or the awarding of drinks as prizes; or*

22 (6) *advertise or promote in any way, whether on or off the licensed*  
 23 *premises, any of the practices prohibited under subsections (b)(1) through*  
 24 *(5).*

25 ~~(b)~~ (c) *Nothing in subsection subsections (a) or (b) shall be construed*  
 26 *to prohibit a public venue, club, drinking establishment, caterer or holder*  
 27 *of a temporary permit from:*

28 (1) *Offering free food or entertainment at any time; or*

29 (2) *selling or delivering wine by the bottle or carafe.*

30 ~~(e)~~ (d) *Violation of any provision of this section is a misdemeanor*  
 31 *punishable as provided by K.S.A. 41-2633, and amendments thereto.*

32 ~~(d)~~ (e) *Violation of any provision of this section shall be grounds for*  
 33 *suspension or revocation of the licensee's license as provided by K.S.A.*  
 34 *41-2609, and amendments thereto, and for imposition of a civil fine on the*  
 35 *licensee or temporary permit holder as provided by K.S.A. 41-2633a, and*  
 36 *amendments thereto.*

37 ~~(e)~~ (f) *Every licensed club and drinking establishment shall make*  
 38 *available at any time upon request a price list showing the club's or*  
 39 *drinking establishment's current prices per drink for all drinks.*

40 ~~(f)~~ (g) *As used in this section, "drink" means an individual serving of*  
 41 *any beverage containing alcoholic liquor or an individual serving of cereal*  
 42 *malt beverage.*

43 *{Sec. 15. K.S.A. 79-4101 is hereby amended to read as follows: 79-*

1 *4101. (a) For the purpose of providing revenue which may be used by*  
2 *the state, counties and cities in the enforcement of the provisions of this*  
3 *act, from and after the effective date of this act, for the privilege of*  
4 *engaging in the business of selling alcoholic liquor by retailers or farm*  
5 *wineries to consumers in this state or selling alcoholic liquor or cereal*  
6 *malt beverage by distributors to clubs, drinking establishments, public*  
7 *venues or caterers in this state, there is hereby levied and there shall be*  
8 *collected and paid a tax at the rate of 8% upon the gross receipts*  
9 *received from: (1) The sale of alcoholic liquor by retailers,*  
10 *microbreweries or farm wineries to consumers within this state; and (2)*  
11 *the sale of alcoholic liquor or cereal malt beverage by distributors to*  
12 *clubs, drinking establishments, public venues or caterers in this state.*

13 *(b) The tax imposed by this section shall be in addition to the*  
14 *license fee imposed on distributors, retailers, microbreweries and farm*  
15 *wineries by K.S.A. 41-310, and amendments thereto.*

16 *Sec. 16. K.S.A. 79-4102 is hereby amended to read as follows: 79-*  
17 *4102. The tax levied under K.S.A. 79-4101, and amendments thereto,*  
18 *shall be paid by the consumer or user to the retailer, microbrewery or*  
19 *farm winery or by the club, drinking establishment, public venue or*  
20 *caterer to the distributor. It shall be the duty of each retailer,*  
21 *microbrewery, farm winery or distributor in this state to collect from the*  
22 *purchaser the full amount of the tax imposed by this act, or an amount*  
23 *equal as nearly as possible or practicable, to the average equivalent*  
24 *thereof.*

25 *Sec. 17. K.S.A. 79-4103 is hereby amended to read as follows: 79-*  
26 *4103. On or before the 25th day of each calendar month, every person*  
27 *engaged in the business of selling alcoholic liquor at retail, every*  
28 *microbrewery selling beer to consumers, every farm winery selling wine*  
29 *to consumers in this state and every distributor selling alcoholic liquor*  
30 *or cereal malt beverage to clubs, drinking establishments, public venues*  
31 *or caterers in this state during the preceding calendar month shall make*  
32 *a return to the director of taxation upon forms prescribed and furnished*  
33 *by the director, stating: (a) The name and address of the seller; (b) the*  
34 *total amount of gross sales subject to the tax imposed by K.S.A. 79-4101,*  
35 *and amendments thereto, during the preceding calendar month; and (c)*  
36 *any other pertinent information the director requires. The person*  
37 *making the return shall, at the time of making the return, pay to the*  
38 *director of taxation the amount of tax imposed by K.S.A. 79-4101, and*  
39 *amendments thereto. The director of taxation may extend the time for*  
40 *making returns and paying the tax for any period not to exceed 60 days,*  
41 *under rules and regulations adopted by the secretary of revenue.*

42 *Sec. 18. K.S.A. 79-41a01 is hereby amended to read as follows: 79-*  
43 *41a01. As used in K.S.A. 79-41a01 through 79-41a09, and amendments*



1 *thereto:*

2 (a) *"Alcoholic liquor" means alcoholic liquor, as defined by K.S.A.*  
3 *41-102, and amendments thereto, and cereal malt beverage, as defined*  
4 *by K.S.A. 41-2701, and amendments thereto.*

5 (b) *"Caterer," "club," "drinking establishment," "public venue"*  
6 *and "temporary permit" have the meanings provided by K.S.A. 41-2601,*  
7 *and amendments thereto.*

8 (c) *"Gross receipts derived from the sale of alcoholic liquor" means*  
9 *the amount charged the consumer for a drink containing alcoholic*  
10 *liquor, including any portion of that amount attributable to the cost of*  
11 *any ingredient mixed with or added to the alcoholic liquor contained in*  
12 *such drink.*

13 *Sec. 19. K.S.A. 79-41a02 is hereby amended to read as follows: 79-*  
14 *41a02. (a) There is hereby imposed, for the privilege of selling alcoholic*  
15 *liquor, a tax at the rate of 10% upon the gross receipts derived from the*  
16 *sale of alcoholic liquor by any club, caterer, drinking establishment,*  
17 *public venue or temporary permit holder.*

18 (b) *The tax imposed by this section shall be paid by the consumer to*  
19 *the club, caterer, drinking establishment, public venue or temporary*  
20 *permit holder and it shall be the duty of each and every club, caterer,*  
21 *drinking establishment, public venue or temporary permit holder subject*  
22 *to this section to collect from the consumer the full amount of such tax,*  
23 *or an amount equal as nearly as possible or practicable to the average*  
24 *equivalent thereto. Each club, caterer, drinking establishment, public*  
25 *venue or temporary permit holder collecting the tax imposed hereunder*  
26 *shall be responsible for paying over the same to the state department of*  
27 *revenue in the manner prescribed by K.S.A. 79-41a03, and amendments*  
28 *thereto, and the state department of revenue shall administer and*  
29 *enforce the collection of such tax.*

30 *Sec. 20. K.S.A. 2011 Supp. 79-41a03 is hereby amended to read as*  
31 *follows: 79-41a03. (a) The tax levied and collected pursuant to K.S.A.*  
32 *79-41a02, and amendments thereto, shall become due and payable by*  
33 *the club, caterer, drinking establishment, public venue or temporary*  
34 *permit holder monthly, or on or before the 25th day of the month*  
35 *immediately succeeding the month in which it is collected, but any club,*  
36 *caterer, drinking establishment, public venue or temporary permit holder*  
37 *filing an annual or quarterly return under the Kansas retailers' sales tax*  
38 *act, as prescribed in K.S.A. 79-3607, and amendments thereto, shall,*  
39 *upon such conditions as the secretary of revenue may prescribe, pay the*  
40 *tax required by this act on the same basis and at the same time the club,*  
41 *caterer, drinking establishment, public venue or temporary permit holder*  
42 *pays such retailers' sales tax. Each club, caterer, drinking establishment,*  
43 *public venue or temporary permit holder shall make a true report to the*

1 *department of revenue, on a form prescribed by the secretary of revenue,*  
2 *providing such information as may be necessary to determine the*  
3 *amounts to which any such tax shall apply for all gross receipts derived*  
4 *from the sale of alcoholic liquor by the club, caterer, drinking*  
5 *establishment, public venue or temporary permit holder for the*  
6 *applicable month or months, which report shall be accompanied by the*  
7 *tax disclosed thereby. Records of gross receipts derived from the sale of*  
8 *alcoholic liquor shall be kept separate and apart from the records of*  
9 *other retail sales made by a club, caterer, drinking establishment, public*  
10 *venue or temporary permit holder in order to facilitate the examination*  
11 *of books and records as provided herein.*

12 *(b) The secretary of revenue or the secretary's authorized*  
13 *representative shall have the right at all reasonable times during*  
14 *business hours to make such examination and inspection of the books*  
15 *and records of a club, caterer, drinking establishment, public venue or*  
16 *temporary permit holder as may be necessary to determine the accuracy*  
17 *of such reports required hereunder.*

18 *(c) The secretary of revenue is hereby authorized to administer and*  
19 *collect the tax imposed hereunder and to adopt such rules and*  
20 *regulations as may be necessary for the efficient and effective*  
21 *administration and enforcement of the collection thereof. Whenever any*  
22 *club, caterer, drinking establishment, public venue or temporary permit*  
23 *holder liable to pay the tax imposed hereunder refuses or neglects to pay*  
24 *the same, the amount, including any penalty, shall be collected in the*  
25 *manner prescribed for the collection of the retailers' sales tax by K.S.A.*  
26 *79-3617, and amendments thereto.*

27 *(d) The secretary of revenue shall remit all revenue collected under*  
28 *the provisions of this act to the state treasurer in accordance with the*  
29 *provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of*  
30 *each such remittance, the state treasurer shall deposit the entire amount*  
31 *in the state treasury. Subject to the maintenance requirements of the*  
32 *local alcoholic liquor refund fund created under K.S.A. 79-41a09, and*  
33 *amendments thereto, 25% of the remittance shall be credited to the state*  
34 *general fund, 5% shall be credited to the community alcoholism and*  
35 *intoxication programs fund created by K.S.A. 41-1126, and amendments*  
36 *thereto, and the balance shall be credited to the local alcoholic liquor*  
37 *fund created by K.S.A. 79-41a04, and amendments thereto.*

38 *(e) Whenever, in the judgment of the secretary of revenue, it is*  
39 *necessary, in order to secure the collection of any tax, penalties or*  
40 *interest due, or to become due, under the provisions of this act, the*  
41 *secretary may require any person subject to such tax to file a bond with*  
42 *the director of taxation under conditions established by and in such*  
43 *form and amount as prescribed by rules and regulations adopted by the*

1 *secretary.*

2 *(f) The amount of tax imposed by this act shall be assessed within*  
3 *three years after the return is filed, and no proceedings in court for the*  
4 *collection of such taxes shall be begun after the expiration of such*  
5 *period except in the cases of fraud. In the case of a false or fraudulent*  
6 *return with intent to evade tax, the tax may be assessed or a proceeding*  
7 *in court for collection of such tax may be begun at any time, within two*  
8 *years from the discovery of such fraud. No refund or credit shall be*  
9 *allowed by the director after three years from the date of payment of the*  
10 *tax as provided in this act unless before the expiration of such period a*  
11 *claim therefor is filed by the taxpayer, and no suit or action to recover*  
12 *on any claim for refund shall be commenced until after the expiration of*  
13 *six months from the date of filing a claim therefor with the director.*  
14 *Before the expiration of time prescribed in this section for the*  
15 *assessment of additional tax or the filing of a claim for refund, the*  
16 *director is hereby authorized to enter into an agreement in writing with*  
17 *the taxpayer consenting to the extension of the periods of limitations for*  
18 *the assessment of tax or for the filing of a claim for refund, at any time*  
19 *prior to the expiration of the periods of limitations. The period so agreed*  
20 *upon may be extended by subsequent agreements in writing made before*  
21 *the expiration of the period previously agreed upon.*

22 *Sec. 21. K.S.A. 79-41a04 is hereby amended to read as follows: 79-*  
23 *41a04. (a) There is hereby created, in the state treasury, the local*  
24 *alcoholic liquor fund. Moneys credited to such fund pursuant to this act*  
25 *or any other law shall be expended only for the purpose and in the*  
26 *manner provided by this act.*

27 *(b) All moneys credited to the local alcoholic liquor fund shall be*  
28 *allocated to the several cities and counties of the state as follows:*

29 *(1) Each city that has a population of more than 6,000 shall receive*  
30 *70% of the amount which is collected pursuant to this act from clubs,*  
31 *public venues or drinking establishments located in such city, from*  
32 *caterers whose principal places of business are so located or from*  
33 *temporary permit holders whose permitted events are so located and*  
34 *which is paid into the state treasury during the period for which the*  
35 *allocation is made.*

36 *(2) Each city that has a population of 6,000 or less shall receive 46*  
37 *2/3% of the amount which is collected pursuant to this act from clubs,*  
38 *public venues or drinking establishments located in such city, from*  
39 *caterers whose principal places of business are so located or from*  
40 *temporary permit holders whose permitted events are so located and*  
41 *which is paid into the state treasury during the period for which the*  
42 *allocation is made.*

43 *(3) Each county shall receive: (A) 70% of the amount which is*

1 *collected pursuant to this act from clubs, public venues or drinking*  
2 *establishments located in such county and outside the corporate limits of*  
3 *any city, from caterers whose principal places of business are so located*  
4 *or from temporary permit holders whose permitted events are so located*  
5 *and which is paid into the state treasury during the period for which the*  
6 *allocation is made; and (B) 23 1/3% of the amount which is collected*  
7 *pursuant to this act from clubs, public venues or drinking establishments*  
8 *located in the county and within a city that has a population of 6,000 or*  
9 *less, from caterers whose principal places of business are so located or*  
10 *from temporary permit holders whose permitted events are so located*  
11 *and which is paid into the state treasury during the period for which the*  
12 *allocation is made.*

13 *(c) The state treasurer shall make distributions from the local*  
14 *alcoholic liquor fund in accordance with the allocation formula*  
15 *prescribed by subsection (b) on March 15, June 15, September 15 and*  
16 *December 15 of each year. The director of accounts and reports shall*  
17 *draw warrants on the state treasurer in favor of the several county*  
18 *treasurers and city treasurers on the dates and in the amounts*  
19 *determined under this section. Such distributions shall be paid directly*  
20 *to the several county treasurers and city treasurers.*

21 *(d) Except as otherwise provided by this subsection, each city*  
22 *treasurer of a city that has a population of more than 6,000, upon*  
23 *receipt of any moneys distributed under this section, shall deposit the*  
24 *full amount in the city treasury and shall credit 1/3 of the deposit to the*  
25 *general fund of the city, 1/3 to a special parks and recreation fund in the*  
26 *city treasury and 1/3 to a special alcohol and drug programs fund in the*  
27 *city treasury. Each city treasurer of a city that has a population of 6,000*  
28 *or less, upon receipt of any moneys distributed under this section, shall*  
29 *deposit the full amount in the city treasury and shall credit 1/2 of the*  
30 *deposit to the general fund of the city and 1/2 to a special parks and*  
31 *recreation fund in the city treasury. Moneys in such special funds shall*  
32 *be under the direction and control of the governing body of the city.*  
33 *Moneys in the special parks and recreation fund may be expended only*  
34 *for the purchase, establishment, maintenance or expansion of park and*  
35 *recreational services, programs and facilities. One-half of the moneys*  
36 *distributed under this section to cities located in Butler county shall be*  
37 *deposited in a special community support program and parks and*  
38 *recreation fund in the city treasury. Moneys in the special community*  
39 *support program and parks and recreation fund may be expended only*  
40 *for: (1) The establishment and operation of a domestic violence program*  
41 *operated by a not-for-profit organization; or (2) the purchase,*  
42 *establishment, maintenance or expansion of park and recreational*  
43 *services, programs and facilities. Moneys in the special alcohol and drug*

1 *programs fund shall be expended only for the purchase, establishment,*  
2 *maintenance or expansion of services or programs whose principal*  
3 *purpose is alcoholism and drug abuse prevention and education, alcohol*  
4 *and drug detoxification, intervention in alcohol and drug abuse or*  
5 *treatment of persons who are alcoholics or drug abusers or are in*  
6 *danger of becoming alcoholics or drug abusers.*

7 *(e) Except as otherwise provided by this subsection, each county*  
8 *treasurer, upon receipt of any moneys distributed under this section,*  
9 *shall deposit the full amount in the county treasury and shall credit to a*  
10 *special alcohol and drug programs fund in the county treasury 23 1/3%*  
11 *of the amount which is collected pursuant to this act from clubs or*  
12 *drinking establishments located in the county and within a city that has*  
13 *a population of 6,000 or less, from caterers whose principal place of*  
14 *business is so located or from temporary permit holders whose permitted*  
15 *events are so located and which is paid into the state treasury during the*  
16 *period for which the allocation is made; of the remainder, the treasurer*  
17 *shall credit 1/3 to the general fund of the county, 1/3 to a special parks*  
18 *and recreation fund in the county treasury and 1/3 to the special alcohol*  
19 *and drug programs fund. Moneys in such special funds shall be under*  
20 *the direction and control of the board of county commissioners. Moneys*  
21 *in the special parks and recreation fund may be expended only for the*  
22 *purchase, establishment, maintenance or expansion of park and*  
23 *recreational services, programs and facilities. One-third of the moneys*  
24 *distributed under this section to Butler county shall be deposited in a*  
25 *special community support program and parks and recreation fund in*  
26 *the county treasury. Moneys in the special community support program*  
27 *and parks and recreation fund may be expended only for: (1) The*  
28 *establishment and operation of a domestic violence program operated by*  
29 *a not-for-profit organization; or (2) the purchase, establishment,*  
30 *maintenance or expansion of park and recreational services, programs*  
31 *and facilities. Moneys in the special alcohol and drug programs fund*  
32 *shall be expended only for the purchase, establishment, maintenance or*  
33 *expansion of services or programs whose principal purpose is*  
34 *alcoholism and drug abuse prevention and education, alcohol and drug*  
35 *detoxification, intervention in alcohol and drug abuse or treatment of*  
36 *persons who are alcoholics or drug abusers or are in danger of*  
37 *becoming alcoholics or drug abusers. In any county in which there has*  
38 *been organized an alcohol and drug advisory committee, the board of*  
39 *county commissioners shall request and obtain, prior to making any*  
40 *expenditures from the special alcohol and drug programs fund, the*  
41 *recommendations of the advisory committee concerning such*  
42 *expenditures. The board of county commissioners shall adopt the*  
43 *recommendations of the advisory committee concerning such*

1 *expenditures unless the board, by unanimous vote of all commissioners,*  
2 *adopts a different plan for such expenditures.*

3 *(f) Each year, the county treasurer shall estimate the amount of*  
4 *money the county and each city in the county will receive from the local*  
5 *alcoholic liquor fund and from distributions pursuant to K.S.A. 79-*  
6 *41a05, and amendments thereto. The state treasurer shall advise each*  
7 *county treasurer, prior to June 1 of each year of the amount in the local*  
8 *alcoholic liquor fund that the state treasurer estimates, using the most*  
9 *recent available information, will be allocated to such county in the*  
10 *following year. The county treasurer shall, before June 15 of each year,*  
11 *notify the treasurer of each city of the estimated amount in dollars of*  
12 *the distribution to be made from the local alcoholic liquor fund and*  
13 *pursuant to K.S.A. 79-41a05, and amendments thereto.*

14 *Sec. 22. K.S.A. 79-41a06 is hereby amended to read as follows: 79-*  
15 *41a06. No club, drinking establishment, caterer, public venue or*  
16 *temporary permit holder shall sell any alcoholic liquor without a*  
17 *registration certificate from the secretary of revenue. Application for*  
18 *such certificate shall be made to the secretary upon forms provided by*  
19 *the secretary and shall contain such information as the secretary deems*  
20 *necessary for the purposes of administering the provisions of this act.*  
21 *The registration certificate shall be conspicuously displayed in the*  
22 *licensed premises or permitted for which it is issued.*

23 *Upon violation of any of the provisions of K.S.A. 79-41a01 et seq.,*  
24 *and amendments thereto, or any of the terms of this act, and upon due*  
25 *notice and opportunity for hearing in accordance with the provisions of*  
26 *the Kansas administrative procedure act, the secretary may revoke such*  
27 *registration certificate.*

28 *Sec. 23. K.S.A. 79-41a07 is hereby amended to read as follows: 79-*  
29 *41a07. (a) The director of taxation or the director of alcoholic beverage*  
30 *control may enjoin any person from engaging in business as a club,*  
31 *drinking establishment, caterer, public venue or temporary permit holder*  
32 *when the club, drinking establishment, caterer, public venue or*  
33 *temporary permit holder is in violation of any of the provisions of K.S.A.*  
34 *79-41a01 et seq., and amendments thereto, or any of the terms of this act*  
35 *and shall be entitled in any proceeding brought for that purpose to have*  
36 *an order restraining the person from engaging in business as a club,*  
37 *drinking establishment, caterer, public venue or temporary permit*  
38 *holder. No bond shall be required for any such restraining order or for*  
39 *any temporary or permanent injunction issued in that proceeding.*

40 *(b) If a club, drinking establishment, public venue or caterer*  
41 *licensed by the director of alcoholic beverage control or a temporary*  
42 *permit holder violates any of the provisions of K.S.A. 79-41a01 et seq.,*  
43 *and amendments thereto, or any of the terms of this act, the director of*

1 *alcoholic beverage control may suspend or revoke the license of such*  
2 *club, drinking establishment, public venue or caterer in accordance with*  
3 *K.S.A. 41-2609, and amendments thereto, or may impose a civil fine on*  
4 *the licensee or permit holder in the manner provided by K.S.A. 41-*  
5 *2633a, and amendments thereto.*

6 *Sec. 24. K.S.A. 79-41a08 is hereby amended to read as follows: 79-*  
7 *41a08. The tax imposed by this act shall be a lien upon the business and*  
8 *any property of the club, drinking establishment, caterer, public venue or*  
9 *permit holder which may be sold. The person acquiring such business*  
10 *or property shall withhold a sufficient amount of the purchase price*  
11 *thereof to cover the amount of any taxes due and unpaid by the seller,*  
12 *until the seller shall furnish the purchaser with a receipt from the*  
13 *secretary of revenue, as herein provided, showing that such taxes have*  
14 *been paid. The purchaser shall be personally liable for the payment of*  
15 *any unpaid taxes of the seller, to the extent of the value of the business*  
16 *or property received by the purchaser, and if a receipt is not furnished by*  
17 *such seller within 20 days from the date of sale of such business or*  
18 *property, the purchaser shall remit the amount of such unpaid taxes to*  
19 *the secretary on or before the 20th day of the month succeeding that in*  
20 *which such purchaser acquired such business or property.}*

21 ~~Sec. 25.~~ *{25.}* K.S.A. 41-306, 41-306a, 41-307, 41-308, 41-701, 41-  
22 2608, 41-2613, 41-2614 ~~and {,}~~ 41-2640~~{,}~~ *79-4101, 79-4102, 79-4103, 79-*  
23 *41a01, 79-41a02, 79-41a04, 79-41a06, 79-41a07 and 79-41a08}* and  
24 K.S.A. 2011 Supp. 41-308a, 41-2601, 41-2622 ~~and {,}~~ 41-2629 ~~{and 79-~~  
25 ~~41a03}~~ are hereby repealed.

26 ~~Sec. 26.~~ *{26.}* This act shall take effect and be in force from and after  
27 its publication in the statute book.

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