LEGISLATURE of THE STATE of KANSAS Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE = SUITE 24-E = TOPEKA, KS 66612 = (785) 296-2321

MEMORANDUM

To:

Chairman Brunk

Members of the House Committee on Federal and State Affairs

From:

Jason B. Long, Senior Assistant Revisor

Date:

February 3, 2015

Subject:

HB 2089 - Alcoholic beverages; disqualification of hidden owners from

licensure.

House Bill No. 2089 amends K.S.A. 41-311, which is a part of the Kansas Liquor Control Act (Act). K.S.A. 41-311(a) provides general disqualifications for individuals applying for a license under the Kansas Liquor Control Act. These are disqualifying criteria for any license issued under the Act.

On page 2 of the bill, starting on line 20, new subsection (a)(15) is added to the statute which would disqualify any individual who held an undisclosed beneficial interest in any license issued under the Act which was obtained by fraud or any false statement made on the application for the license. This provision would disqualify an individual from obtaining a license in the future if the individual had held an ownership interest, even an undisclosed one, in a prior business whose license had been obtained through fraud or false statement.