

As Amended by House Committee

As Amended by Senate Committee

Session of 2016

SENATE BILL No. 326

By Committee on Federal and State Affairs

1-14

1 AN ACT concerning alcoholic beverages; relating to microbreweries;
2 amending K.S.A. 2015 Supp. 41-308b and repealing the existing
3 section.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2015 Supp. 41-308b is hereby amended to read as
7 follows: 41-308b. (a) A microbrewery license shall allow:

8 (1) The manufacture of not less than 100 nor more than ~~30,000~~
9 *60,000* barrels of domestic beer during the calendar year and the storage
10 thereof, *if, however, the licensee holds a 10% or greater ownership*
11 *interest in one or more ~~microbrewery licenses~~ entities that also hold a*
12 *microbrewery license, then the aggregate number of barrels of domestic*
13 *beer manufactured by all such licenses with such common ownership*
14 *shall not exceed the 60,000 barrel limit;*

15 (2) the sale to beer distributors of beer, manufactured by the licensee;

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

19 (4) the serving free of charge on the licensed premises and at special
20 events, monitored and regulated by the division of alcoholic beverage
21 control, of samples of beer manufactured by the licensee, if the premises
22 are located in a county where the sale of alcoholic liquor is permitted by
23 law in licensed drinking establishments;

24 (5) if the ~~licensee~~ *premises* is also licensed as a club or drinking
25 establishment, *the sale and transfer of domestic beer to such club or*
26 *drinking establishment and* the sale of domestic beer and other alcoholic
27 liquor for consumption on the licensed premises as authorized by the club
28 and drinking establishment act; ~~and~~

29 (6) if the ~~licensee~~ *premises* is also licensed as a caterer, the sale of
30 domestic beer and other alcoholic liquor for consumption on unlicensed
31 premises as authorized by the club and drinking establishment act; *and*

32 (7) *if the licensee holds a 10% or greater ownership interest in one*
33 *or more ~~microbrewery licenses~~ entities that also hold a microbrewery*
34 *license, the domestic beer may be manufactured and transferred for sale*

1 ***or storage among such microbrewery licenses with such common***
2 ***ownership.***

3 (b) Upon application and payment of the fee prescribed by K.S.A. 41-
4 310, and amendments thereto, by a microbrewery licensee, the director
5 may issue not to exceed one microbrewery packaging and warehousing
6 facility license to the microbrewery licensee. A microbrewery packaging
7 and warehousing facility license shall allow:

8 (1) The transfer, from the licensed premises of the microbrewery to
9 the licensed premises of the microbrewery packaging and warehousing
10 facility, of beer manufactured by the licensee, for the purpose of packaging
11 or storage, or both; and

12 (2) the transfer, from the licensed premises of the microbrewery
13 packaging and warehousing facility to the licensed premises of ~~the~~ ***any***
14 ***microbrewery of such licensee***, of beer manufactured by the licensee; or

15 (3) the removal from the licensed premises of the microbrewery
16 packaging and warehousing facility of beer manufactured by the licensee
17 for the purpose of delivery to a licensed beer wholesaler.

18 (c) A microbrewery may sell domestic beer in the original unopened
19 container to consumers for consumption off the licensed premises at any
20 time between 6 a.m. and 12 midnight on any day except Sunday and
21 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a
22 microbrewery may serve samples of domestic beer and serve and sell
23 domestic beer and other alcoholic liquor for consumption on the licensed
24 premises at any time when a club or drinking establishment is authorized
25 to serve and sell alcoholic liquor.

26 (d) The director may issue to the Kansas state fair or any bona fide
27 group of brewers a permit to import into this state small quantities of beer.
28 Such beer shall be used only for bona fide educational and scientific
29 tasting programs and shall not be resold. Such beer shall not be subject to
30 the tax imposed by K.S.A. 41-501, and amendments thereto. The permit
31 shall identify specifically the brand and type of beer to be imported, the
32 quantity to be imported, the tasting programs for which the beer is to be
33 used and the times and locations of such programs. The secretary shall
34 adopt rules and regulations governing the importation of beer pursuant to
35 this subsection and the conduct of tasting programs for which such beer is
36 imported.

37 (e) A microbrewery license or microbrewery packaging and
38 warehousing facility license shall apply only to the premises described in
39 the application and in the license issued and only one location shall be
40 described in the license.

41 (f) No microbrewery shall:

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

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

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

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

9 (g) Whenever a microbrewery licensee is convicted of a violation of
10 the Kansas liquor control act, the director may revoke the licensee's license
11 and all fees paid for the license in accordance with the Kansas
12 administrative procedure act.

13 Sec. 2. K.S.A. 2015 Supp. 41-308b is hereby repealed.

14 Sec. 3. This act shall take effect and be in force from and after its
15 publication in the statute book.