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# 2019 AMENDMENTS TO KANSAS LIQUOR LAWS

The 2019 Legislature passed the following bills amending the liquor control act, club and drinking establishment act, cereal malt beverage act and the liquor enforcement act.

House Bill 2035 – Effective April 11, 2019, this bill has two components outlined below.

# Law Enforcement Citations

Adds the cereal malt beverage act to citations that can be issued by an alcoholic beverage control (ABC) enforcement agent or any law enforcement officer.

# Liquor Enforcement Tax Act

Requires liquor enforcement tax to be collected by retail liquor stores on sales of cereal malt beverage.

Senate Bill 70 – Effective May 2, 2019, this bill has several components outlined below.

# **Temporary Permits**

Consolidates all statutes regarding temporary permits into one section and authorizes the following changes:

- 1. Temporary permits must be applied for online.
- 2. Temporary permits may overlap permitted areas.
- 3. The permit holder may purchase and possess alcoholic liquor three days prior to the first day of the event.
- 4. A distributor may deliver directly to the permit premises after it has been purchased from a retail liquor store or a farm winery.
- 5. If a licensee has sold alcoholic liquor to a temporary permit holder and normal hours of operation make it impossible to pay the licensee, the licensee has 48 hours to make payment.
- 6. Within three business days after the permit end, the permit holder may sell remaining unopened inventory back to the retailer or farm winery without permission. After three business days, approval is required from the ABC director.
- 7. A temporary permit holder may charge an entrance fee to all or part of the permitted area.
- 8. A temporary permit holder may provide samples of wine, beer, and distilled spirits provided:
  - a. All samples come from the permit holder's inventory.
  - b. A supplier's permit holder or their agent may provide samples. The samples must be purchased from the inventory of the temporary permit holder or be purchased at a retail liquor store.

- c. No charge may be made for samples.
- d. More than one sample may be served to an individual.
- 9. Keg tags are no longer required for temporary permit holders.

### State of Kansas Wine Grapes

Chambourcin is the official red wine grape. Vignoles is the official white wine grape.

#### Common Carrier Reporting

Requires every express company or other common carrier to submit monthly reports of shipments of known alcoholic liquor from outside the State of Kansas that was delivered to consumers in the State of Kansas. Reports must include:

- 1. Shipper Name.
- 2. Report Period. (calendar month)
- 3. Consignor name and address.
- 4. Package weight.
- 5. Tracking number.
- 6. Delivery date.

A carrier company who willfully refuses to file any reports shall be subject to a civil penalty of not more than \$500.

#### Samples

The definition of samples was added to the liquor control act making samples the same for all liquor license types.

"Sample" means a serving of alcoholic liquor that contains not more than one-half ounce of distilled spirits; one ounce of wine; or two ounces of beer or cereal malt beverage. A mixed alcoholic beverage is limited to one-half ounce of distilled spirits.

#### Farm Winery

Authorizes the manufacture for and sale of wine to a producer licensee.

Wine manufactured for a producer licensee shall be included in the farm winery licensee's annual production requiring 30% of Kansas agricultural products.

The label for any wine manufactured for a producer licensee may be owned by either the farm winery or the producer licensee whom the wine was manufactured for.

#### Producer License

Any person engaged in business as a vineyard with not less than 100 vines of sound, ripe grapes or other agricultural producer with an annual harvest of 1,000 pounds of other sound, ripe fruits or berries or 100 pounds of honey may apply for this license. A qualified applicant may be issued up to two licenses. A producer licensee may:

1. sell their fruit/honey to a farm winery and purchase back wine made in whole or part of their fruit/honey.

- 2. conduct tastings.
- 3. sell their wine in unopened containers or by the drink if located in a county where liquor by the drink is allowed.
- 4. also hold a club, drinking establishment or cereal malt beverage license.
- 5. allow bring your own bottle (BYOB) onto their licensed premises.
- 6. adopt a policy to prohibit BYOB.

Producer licensees must maintain records for their sales to a farm winery and to consumers along with their purchases from a farm winery.

# Public Venue, Hotel, Hotel Caterer, Drinking Establishment Caterer or Drinking Establishment Licensees.

The above license types may temporarily extend their licensed premises onto public streets, sidewalks, alleys, roads or highways provided the city, county or township where the event will be held approves the event by ordinance or resolution <u>and</u> the public streets, alleys, sidewalks, roads, sidewalks or highways are closed to motor traffic.

## License Effective Date

Clarifies that a license is effective on the dates specified on the liquor license.

#### **Common Consumption Area (CCA) Permits**

With the approval of the CCA permit holder, a participating liquor licensee (i.e. one who is adjacent to the CCA and has requested and received permission to participate in the CCA) may be authorized by the permit holder to have one non-contiguous service area located within the CCA to serve and sell alcoholic liquor. The licensee must display a copy of their liquor license and the approval from the CCA permit holder.

#### Additional Information

The full text of each bill may be viewed at http://www.kslegislature.org/li/.

ABC handbooks for licensees are currently being updated. Please visit our website to obtain an updated version at <u>https://www.ksrevenue.gov/abchandbooks.html</u>.

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