## **HOUSE BILL No. 2598**

By Committee on Federal and State Affairs

2-10

AN ACT concerning alcoholic beverages; dealing with microbreweries; amending K.S.A. 41-708 and K.S.A. 2013 Supp. 41-308b and repealing the existing sections.

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

Section 1. K.S.A. 2013 Supp. 41-308b is hereby amended to read as follows: 41-308b. (a) A microbrewery license shall allow:

- (1) The manufacture of not less than 100 nor more than 15,000-barrels of domestic beer during the license year and the storage thereof;
  - (2) the sale to beer distributors of beer, manufactured by the licensee;
- (3) the sale, on the licensed premises in the original unopened container to consumers for consumption off the licensed premises, of beer manufactured by the licensee;
- (4) the serving free of charge on the licensed premises and at special events, monitored and regulated by the division of alcoholic beverage control, of samples of beer manufactured by the licensee, if the premises are located in a county where the sale of alcoholic liquor is permitted by law in licensed drinking establishments;
- (5) if the licensee is also licensed as a club or drinking establishment, the sale of domestic beer and other alcoholic liquor for consumption on the licensed premises as authorized by the club and drinking establishment act; and
- (6) if the licensee is also licensed as a caterer, the sale of domestic beer and other alcoholic liquor for consumption on unlicensed premises as authorized by the club and drinking establishment act.
- (b) Upon application and payment of the fee prescribed by K.S.A. 41-310, and amendments thereto, by a microbrewery licensee, the director may issue not to exceed one microbrewery packaging and warehousing facility license to the microbrewery licensee. A microbrewery packaging and warehousing facility license shall allow:
- (1) The transfer, from the licensed premises of the microbrewery to the licensed premises of the microbrewery packaging and warehousing facility, of beer manufactured by the licensee, for the purpose of packaging or storage, or both; and
- (2) the transfer, from the licensed premises of the microbrewery packaging and warehousing facility to the licensed premises of the

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microbrewery, of beer manufactured by the licensee; or

- (3) the removal from the licensed premises of the microbrewery packaging and warehousing facility of beer manufactured by the licensee for the purpose of delivery to a licensed beer wholesaler.
- (c) A microbrewery may sell domestic beer in the original unopened container to consumers for consumption off the licensed premises at any time between 6 a.m. and 12 midnight on any day except Sunday and between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a microbrewery may serve samples of domestic beer and serve and sell domestic beer and other alcoholic liquor for consumption on the licensed premises at any time when a club or drinking establishment is authorized to serve and sell alcoholic liquor.
- (d) The director may issue to the Kansas state fair or any bona fide group of brewers a permit to import into this state small quantities of beer. Such beer shall be used only for bona fide educational and scientific tasting programs and shall not be resold. Such beer shall not be subject to the tax imposed by K.S.A. 41-501, and amendments thereto. The permit shall identify specifically the brand and type of beer to be imported, the quantity to be imported, the tasting programs for which the beer is to be used and the times and locations of such programs. The secretary shall adopt rules and regulations governing the importation of beer pursuant to this subsection and the conduct of tasting programs for which such beer is imported.
- (e) A microbrewery license or microbrewery packaging and warehousing facility license shall apply only to the premises described in the application and in the license issued and only one location shall be described in the license.
  - (f) No microbrewery shall:
- (1) Employ any person under the age of 18 years in connection with the manufacture, sale or serving of any alcoholic liquor;
- (2) permit any employee of the licensee who is under the age of 21 years to work on the licensed premises at any time when not under the onpremises supervision of either the licensee or an employee of the licensee who is 21 years of age or over;
- (3) employ any person under 21 years of age in connection with mixing or dispensing alcoholic liquor; or
- (4) employ any person in connection with the manufacture or sale of alcoholic liquor if the person has been convicted of a felony.
- (g) Whenever a microbrewery licensee is convicted of a violation of the Kansas liquor control act, the director may revoke the licensee's license and all fees paid for the license in accordance with the Kansas administrative procedure act.
  - Sec. 2. K.S.A. 41-708 is hereby amended to read as follows: 41-708.

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1 (a) No retailer licensed under this act shall purchase or receive alcoholic liquor from any source except from: (1) A distributor licensed under this act and having a place of business in this state, except that a licensed retailer may purchase confiscated alcoholic liquor at a sheriff's sale; (2) a farm winery as authorized by K.S.A. 41-308a, and amendments thereto; and (3) a microbrewery as authorized by K.S.A. 41-308b, and amendments thereto.

- (b) Any retail licensee who violates this section is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$200, nor more than \$1,000, to which may be added imprisonment for not more than six months, and the license of such licensee may be revoked as provided by law.
- Sec. 3. K.S.A. 41-708 and K.S.A. 2013 Supp. 41-308b are hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.