

2015 AMENDMENTS TO KANSAS LIQUOR LAWS

The 2015 Legislature passed House Bill 2223 which amends the liquor control act and the club and drinking establishment act. Governor Sam Brownback signed the bill into law on June 6, 2015. The following changes will become effective July 1, 2015.

Administrative Citations

ABC will be able to resume issuing administrative citations based on alleged violations observed by local law enforcement officers. The amendment made to K.S.A. 41-106 requires that a local law enforcement officer who observes a violation deliver a notification to the licensee at the time of the violation that includes information that a report will be sent to ABC for review.

Undisclosed Beneficial Interest in a Liquor License

A person whom the Director of ABC has deemed to have had an undisclosed beneficial interest in a liquor license, e.g., a hidden owner, will be ineligible to hold a liquor license in the future.

Technical Amendments

Codified long-standing ABC practices including issuing liquor licenses to LLCs, conducting administrative hearings according to the Kansas Administrative Procedures Act and issuing administrative penalties that include the involuntary cancelation of a license in lieu of license revocation in certain circumstances.

Infusion

On-premise licensees will have the ability to infuse alcoholic drinks provided the infusion does not cause additional fermentation that result in an increase in the alcoholic content. Licensees can serve liquor infused with spices, herbs, fruits, vegetables, candy or other substances intended for human consumption. A licensee would be able to dispense alcoholic liquor from a machine or the container used to mix, chill, or infuse alcoholic liquor with additional liquids or solids. A drinking establishment, its agent or employee cannot refill any original alcoholic liquor container with alcoholic liquor or any other substance. The bill specifies that the dispensing of alcohol from a machine pursuant to the provisions of the bill does not include self-dispensing by a customer.

Distributor Samples

Distributors will have the ability to serve samples to a retailer or retailer's employees on the premises of a retail liquor store or on the premises of the distributor. These samples must be taken from the distributor's inventory, cannot be served to customers, must

occur in an area of the liquor store not open to the public where sales do not occur, and are subject to the liquor enforcement tax.

Powdered Alcohol Ban

The distribution and sale of powdered alcohol is prohibited.

Automated Wine Dispensing

Drinking establishments, private clubs and public venue licensees will be able to use automated self-dispensing wine machines. Licensees are required to monitor the dispensing and have the ability to control the dispensing. The bill authorizes the Director of ABC to promulgate rules and regulations to implement this amendment. Because this change removes the requirement for human interaction in the dispensing of wine, the goal of our regulations will be to minimize the risk of dispensing wine to minors and over-service of wine to customers.

Catered Events

Caterers are required to electronically notify the ABC of an upcoming catered event at least 48 hours prior to the event. Notification will no longer be required for the following type of catered events: weddings, funerals, events sponsored by religious institutions or for business, industry or trade sponsored meetings including awards presentations and retirement celebrations. Caterers must log into the Customer Service Center at <http://www.ksrevenue.gov/index.html> to submit their events electronically.

Catered events will be allowed on public streets, alleys sidewalks or highways provided the caterer has given proper notice to the Director with a copy of the approved city or county ordinance or resolution for the specific event.

Core Commercial District

A retailer, farm winery, microbrewery or microdistillery liquor license may be issued for premises within 200 feet of a school, college or church provided the city has approved an ordinance for the business to be located within a core commercial district as defined by K.S.A. 2014 Supp. 12-17,122.

Kansas Farm Winery – Farmers Market Sales Permit

Farm wineries will be able to sell wine at farmers market locations around the state for an annual \$25 permit fee with a new statewide permit provided the farmers market is not held on state owned property.

Vineyard Permit

The new vineyard permit will allow a person with 100 or more vines to sell wine that was made with grapes grown in the permit-holder's vineyard. The permit holder is required to sell its grapes to a Kansas licensed farm winery for the production of the wine. The permit holder would buy the final product from the winery and is authorized to give samples and sell bottles for off-premise consumption. If the vineyard permitted premises is within a county that allows liquor-by-the-drink, it may also sell wine by the glass for on premise consumption.

Industry Handbooks Updated

All of the above changes to the liquor laws are being incorporated into our industry handbooks. A Facebook post will be made when the updated handbooks have been posted on our website at: <http://www.ksrevenue.gov/abclawsnotices.html>

Customer Surveys

Thank you to all of our liquor licensee customers who have responded to our anonymous surveys. Each month, we are emailing a link to a Survey Monkey survey to randomly-selected licensees with questions relating to customer service, effectiveness of our effort to make it as easy as possible to comply with liquor laws and enforcement-related actions. Each question includes 4 possible responses – two positive and two negative:

1. Strongly agree
2. Agree
3. Disagree
4. Strongly disagree

Responses have been exceedingly positive. New licensees average a 98 percent positive response and existing licensees a few percentage points less.

ABC Facebook page

Reminder: We are using our Facebook page to improve communication with liquor licensees, law enforcement and our stakeholders:

<https://www.facebook.com/KansasAlcoholicBeverageControl>.



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Kansas Alcoholic Beverage Control