Session of 2012

SENATE BILL No. 288

By Committee on Federal and State Affairs

1-17

1	AN ACT concerning alcoholic beverages; relating to sales of alcoholic
2	liquor or cereal malt beverage by the drink; amending K.S.A. 41-2640
3	and K.S.A. 2011 Supp. 41-2601 and repealing the existing sections.
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5	Be it enacted by the Legislature of the State of Kansas:
6	Section 1. K.S.A. 2011 Supp. 41-2601 is hereby amended to read as
7	follows: 41-2601. As used in the club and drinking establishment act:
8	(a) The following terms shall have the meanings provided by K.S.A.
9	41-102, and amendments thereto: (1) "Alcoholic liquor"; (2) "director"; (3)
10	"original package"; (4) "person"; (5) "sale"; and (6) "to sell."
11	(b) "Beneficial interest" shall not include any interest a person may
12	have as owner, operator, lessee or franchise holder of a licensed hotel or
13	motel on the premises of which a club or drinking establishment is located.
14	(c) "Caterer" means an individual, partnership or corporation which
15	sells alcoholic liquor by the individual drink, and provides services related
16	to the serving thereof, on unlicensed premises which may be open to the
17	public, but does not include a holder of a temporary permit, selling
18	alcoholic liquor in accordance with the terms of such permit.
19	(d) "Cereal malt beverage" has the meaning provided by K.S.A. 41-
20	2701, and amendments thereto.
21	(e) "Class A club" means a premises which is owned or leased by a
22	corporation, partnership, business trust or association and which is
23	operated thereby as a bona fide nonprofit social, fraternal or war veterans'
24	club, as determined by the director, for the exclusive use of the corporate
25	stockholders, partners, trust beneficiaries or associates (hereinafter referred
26	to as members) and their families and guests accompanying them.
27	(f) "Class B club" means a premises operated for profit by a
28	corporation, partnership or individual, to which members of such club may
29	resort for the consumption of food or alcoholic beverages and for
30	entertainment.
31	(g) "Club" means a class A or class B club.
32	(h) "Minibar" means a closed cabinet, whether nonrefrigerated or-
33	wholly or partially refrigerated, access to the interior of which is restricted
34	by means of a locking device which requires the use of a key, magnetie-
35	eard or similar device.
36	(i) (h) "Drinking establishment" means premises which may be open

1 to the general public, where alcoholic liquor by the individual drink is 2 sold.

3 (j) (i) "Food" means any raw, cooked or processed edible substance or 4 ingredient, other than alcoholic liquor or cereal malt beverage, used or 5 intended for use or for sale, in whole or in part, for human consumption.

(k) (*j*) "Food service establishment" has the meaning provided by K.S.A. 36-501, and amendments thereto.

8 (1) (k) "Hotel" has the meaning provided by K.S.A. 36-501, and 9 amendments thereto.

10 *(l)* "Individual drink" means an individual serving of a beverage 11 containing alcoholic liquor or cereal malt beverage.

(m) "Individual serving" means a beverage containing alcoholic
liquor or cereal malt beverage served to an individual for consumption by
such individual or another individual, but which is not intended to be
consumed by two or more individuals. The term "individual serving"
includes beverages containing not more than: (1) Eight ounces of wine;
(2) thirty-two ounces of beer or cereal malt beverage; or (3) four ounces
of a single spirit or a combination of spirits.

(n) "Minibar" means a closed cabinet, whether nonrefrigerated or
wholly or partially refrigerated, access to the interior of which is
restricted by means of a locking device which requires the use of a key,
magnetic card or similar device.

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(m) (o) "Minor" means a person under 21 years of age.

24 (n) (p) "Morals charge" means a charge involving prostitution; 25 procuring any person; soliciting of a child under 18 years of age for any 26 immoral act involving sex; possession or sale of narcotics, marijuana, 27 amphetamines or barbiturates; rape; incest; gambling; illegal cohabitation; 28 adultery; bigamy; or a crime against nature.

29 (o) (q) "Municipal corporation" means the governing body of any 30 county or city.

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(p) (r) "Restaurant" means:

(1) In the case of a club, a licensed food service establishment which,
as determined by the director, derives from sales of food for consumption
on the licensed club premises not less than 50% of its gross receipts from
all sales of food and beverages on such premises in a 12-month period;

(2) in the case of a drinking establishment subject to a food sales
requirement under K.S.A. 41-2642, and amendments thereto, a licensed
food service establishment which, as determined by the director, derives
from sales of food for consumption on the licensed drinking establishment
premises not less than 30% of its gross receipts from all sales of food and
beverages on such premises in a 12-month period; and

42 (3) in the case of a drinking establishment subject to no food sales 43 requirement under K.S.A. 41-2642, and amendments thereto, a licensed

food service establishment. 1

(g) (s) "RV resort" means premises where a place to park recreational 2 vehicles, as defined in K.S.A. 75-1212, and amendments thereto, is offered 3 for pay, primarily to transient guests, for overnight or longer use while 4 such recreational vehicles are used as sleeping or living accommodations. 5

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"Secretary" means the secretary of revenue. $\left(\mathbf{r}\right)(t)$

7 (s) (u) "Temporary permit" means a temporary permit issued pursuant 8 to K.S.A. 41-2645, and amendments thereto.

9 Sec. 2. K.S.A. 41-2640 is hereby amended to read as follows: 41-2640. (a) No club, drinking establishment, caterer or holder of a temporary 10 permit, nor any person acting as an employee or agent thereof, shall: 11

12 (1) Offer or serve any free cereal malt beverage or alcoholic liquor in 13 any form to any person;

14 (2) offer or serve to any person a *an individual* drink at a price that is 15 less than the acquisition cost of the individual drink to the licensee or 16 permit holder;

17 (3) sell, offer to sell or serve to any person an unlimited number of 18 individual drinks during any set period of time for a fixed price, except at 19 private functions not open to the general public or to the general 20 membership of a club:

21 (4) sell, offer to sell or serve any *individual* drink to any person at any 22 time at a price less than that charged all other purchasers of individual 23 drinks on that day:

24 (5) increase the volume of alcoholic liquor contained in a drink or the 25 size of a drink of cereal malt beverage without increasing proportionately the price regularly charged for the drink on that day; 26

27 (6) (5) encourage or permit, on the licensed premises, any game or 28 contest which involves drinking alcoholic liquor or cereal malt beverage or 29 the awarding of *individual* drinks as prizes: or

(7) (6) advertise or promote in any way, whether on or off the 30 licensed premises, any of the practices prohibited under subsections (a)(1)31 32 through (6) (5).

33 (b) Nothing in subsection (a) shall be construed to prohibit A club, 34 drinking establishment, caterer or holder of a temporary permit from may: 35

(1) Offering Offer free food or entertainment at any time; or

36 (2) selling or delivering sell or deliver wine by the bottle or carafe; 37 or

38 (3) sell or serve beer or cereal malt beverage in a pitcher capable of 39 containing not more than 64 fluid ounces.

40 (c) Violation of any provision of this section is a misdemeanor punishable as provided by K.S.A. 41-2633, and amendments thereto. 41

42 (d) Violation of any provision of this section shall be grounds for 43 suspension or revocation of the licensee's license as provided by K.S.A.

41-2609, and amendments thereto, and for imposition of a civil fine on the
 licensee or temporary permit holder as provided by K.S.A. 41-2633a, and
 amendments thereto.

4 (e) Every licensed club and drinking establishment shall make 5 available at any time upon request a price list showing the club's or 6 drinking establishment's current prices per *individual* drink for all 7 *individual* drinks.

8 (f) As used in this section, "drink" means an individual serving of any
 9 beverage containing alcoholic liquor or an individual serving of cereal 10 malt beverage.

11 Sec. 3. K.S.A. 41-2640 and K.S.A. 2011 Supp. 41-2601 are hereby 12 repealed.

Sec. 4. This act shall take effect and be in force from and after itspublication in the statute book.

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