

Journal of the Senate

SIXTY-FIFTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Thursday, May 14, 2015, 10:00 a.m.

The Senate was called to order by President Susan Wagle.

The roll was called with 38 senators present.

Senators Haley and Hawk were excused.

Invocation by Reverend Cecil T. Washington:

Heavenly Father,

The days here are winding down. The clock is ticking while Your Word in Ephesians 5:16 and Colossians 4:5, talks to us about time; not so much about calendar time that is continuously being measured as it passes and expires, but more so about the use of time and the importance of how it is used. You have admonished each of us, to use for Your purposes, the particular period of time that You have allotted. You've set limits to our existence. Time is short. And the opportunity for service exists only within those limits. While we cannot control the continuous passing of time, You've cautioned us to be good stewards over the time that we've been given. Lord, I'm reminded of little Johnny. When his mother's repeated calls reached that stern authoritative pitch, Johnny, who was outside playing with his friends, said, "Gotta Go Now!" one day, we'll hear that authoritative call from You. And the word to our friends will be, "Gotta Go Now!" But you've put the awareness of eternity in our hearts (Eccl. 3:11). So help us make good investments during the time we have and reap benefits in eternity. When the time of our stewardship has concluded and the work on this side is done, let us hear those precious words from You, in Matt. 25:21, "Servant, well done." I come to You in the precious name of Jesus. Amen and Amen

The Pledge of Allegiance was led by President Susan Wagle.

POINT OF PERSONAL PRIVILEGE

Senator McGinn rose on a Point of Personal Privilege to introduce her administrative assistant, Rita Hamman, who is retiring after 15 years of legislative service. She thanked Rita for all her years of professional service to the State of Kansas.

The Senate honored Rita with a standing ovation.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

SB 306, AN ACT concerning the open records act; relating to definitions; public agency and public record; amending K.S.A. 2014 Supp. 45-217 and repealing the

existing section, by Senator Baumgardner.

SB 307, AN ACT concerning the open records act; relating to definitions; public agency and public record; amending K.S.A. 2014 Supp. 45-217 and repealing the existing section, by Committee on Ways and Means.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bill was referred to Committee as indicated:

Ways and Means: **SB 305**.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senators Schmidt, Hensley and Kelly introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1748—

A RESOLUTION congratulating and commending Dr. Brenda S. Dietrich for her more than 40 years of dedicated service in education upon her retirement from Auburn-Washburn school district in 2015.

WHEREAS, Auburn-Washburn Superintendent Dr. Brenda S. Dietrich is to retire at the end of the 2014-2015 school year, after more than 40 years of dedicated service in education; and

WHEREAS, Dr. Dietrich has served the Auburn-Washburn school district for 14 years. One of her first tasks as superintendent was to implement Shawnee County's first district-wide full-day kindergarten program. The program was made possible when patrons approved classroom expansion in a 2000 bond election; and

WHEREAS, The Auburn-Washburn school district has seen steady growth from 5,072 students in 2001 to an anticipated enrollment of around 6,100 this upcoming school year. Dr. Dietrich oversees a \$45 million operating budget with approximately 1,000 employees. Auburn-Washburn is the second largest district in Shawnee County and the 15th largest in Kansas; and

WHEREAS, During Dr. Dietrich's tenure in the Auburn-Washburn school district, test scores have risen steadily despite fluctuating changes in state aid. The district met such challenges prudently and continued to make improvements in all aspects of educational and extra-curricular opportunities for students; and

WHEREAS, Programs that have been added since Dr. Dietrich took her position as superintendent of Auburn-Washburn back in 2001 include full-day kindergarten, expansion of elementary art, Mandarin Chinese, international baccalaureate diploma program, Air Force JROTC program, AB/BC calculus, AP chemistry, and Tallgrass Student Learning Center, all of which serve to keep Auburn-Washburn students achieving at the highest levels; and

WHEREAS, In 2007, Dr. Dietrich led the district through a successful \$67.95 million bond campaign and redistricting of four elementary school boundaries. The bond allowed for the construction of Farley Elementary School, Topeka's first new school in 20 years. In addition, Washburn Rural Middle School and Washburn Rural High School received substantial expansion and remodeling. All elementary schools were expanded and remodeled as well, with many safety, security and technology improvements; and

WHEREAS, Dr. Dietrich graduated from McPherson High School and received her Bachelor of Science Degree in Elementary Education from Kansas State University in 1975. She also has an M.A. and Ph.D. in Education Administration from the University of Missouri. Dr. Dietrich taught for nine years before becoming an administrator and is now in her 40th year in education. Prior to leading Auburn-Washburn, she was Superintendent of Schools for five years in the Hampden-Wilbraham Regional School District in Wilbraham, Massachusetts; and

WHEREAS, Dr. Dietrich was named the 2007 Kansas Superintendent of the Year by the Kansas School Superintendents Association and was one of four finalists for National Superintendent of the Year; and

WHEREAS, Dr. Dietrich is actively engaged in professional activities throughout the community and state. She currently serves on the Board of Leadership Kansas, Jayhawk Council of Boy Scouts, Junior Achievement, Kansas Advisory Board for Juvenile Justice, United School Administrators, American Association of School Administrators Governing Board and Kansas School Superintendent's Association. Dr. Dietrich also served on the boards of the Greater Topeka Chamber of Commerce, United Way of Greater Topeka, Family Service and Guidance Center and the Governor's P-20 Council; and

WHEREAS, In 2001, Dr. Dietrich replaced retiring Superintendent Howard Shuler, who served in that position for 19 years. There have been only two superintendents at Auburn-Washburn in the past 33 years, which is a testament to the stability of the district and the supportive community. Dr. Dietrich will serve as Superintendent of Auburn-Washburn until August 1, 2015: Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we congratulate and commend Dr. Brenda S. Dietrich on her honorable career in education and service to the Auburn-Washburn school district. Dr. Dietrich's accomplishments and legacy will forever be remembered by the State of Kansas and Auburn-Washburn school district; and

Be it further resolved: That the Secretary of the Senate shall send five enrolled copies of this resolution to Senator Schmidt.

On emergency motion of Senator Schmidt **SR 1748** was adopted unanimously.

The Senate honored Dr. Dietrich and her daughter, Lauren, with a standing ovation.

On motion of Senator Bruce, the Senate recessed until 2:00 p.m.

The Senate met pursuant to recess with Senator King in the chair.

CHANGE OF CONFERENCE

The Vice President announced the appointment of Senator Pyle as a member of the Conference Committee on **HB 2364** to replace Senator Love.

The Vice President announced the appointment of Senator Fitzgerald as a member of the Conference Committee on **HB 2364** to replace Senator Kerschen.

The Vice President announced the appointment of Senator Faust-Goudeau as a member of the Conference Committee on **HB 2364** to replace Senator Francisco.

MESSAGE FROM THE HOUSE

The House adopts the Conference Committee report on **HB 2154**.

The House adopts the Conference Committee report on **Sub HB 2159**.

The House adopts the Conference Committee report on **HB 2233**.

The House concurs in Senate amendments to **HB 2106**, and requests return of the bill.

The House adopts the Conference Committee report on **H Sub SB 91**.

ORIGINAL MOTION

Senator Bruce moved that subsection 4(k) of the Joint Rules of the Senate and House of Representatives be suspended for the purpose of considering the following bills: **SB 48**; **S Sub HB 2074**; **S Sub Sub HB 2170**; **HB 2223**, **HB 2331**; and **HB 2352**.

COMMITTEE OF THE WHOLE

On motion of Senator Bruce, the Senate resolved itself into Committee of the Whole, for consideration of bills on the calendar under the heading of General Orders with Senator Petersen in the chair.

On motion of Senator Petersen the following report was adopted:

SB 48 be passed.

A motion by Senator Francisco to amend **SB 48** failed and the following amendment was rejected: on page 1, following line 32, by inserting:

"Sec. 2. K.S.A. 2014 Supp. 79-4501 is hereby amended to read as follows: 79-4501. The title of this act shall be the homestead property tax refund act. The purpose of this act shall be to provide ad valorem tax refunds to: (a) Certain persons who are of qualifying age who own or rent their homestead; (b) certain persons who have a disability, who own or rent their homestead; and (c) certain persons other than persons included under the provisions of subsection (a) or (b) who have low incomes and dependent children and own or rent their homestead.

Sec. 3. K.S.A. 2014 Supp. 79-4502 is hereby amended to read as follows: 79-4502. As used in this act, unless the context clearly indicates otherwise:

(a) "Income" means the sum of adjusted gross income under the Kansas income tax act effective for tax year 2013 and thereafter without regard to any modifications pursuant to K.S.A. 79-32,117(b)(xx) through (xxiii) and (c)(xx), and amendments thereto, maintenance, support money, cash public assistance and relief, not including any refund granted under this act, the gross amount of any pension or annuity, including all monetary retirement benefits from whatever source derived, including but not limited to, all payments received under the railroad retirement act, except disability payments, payments received under the federal social security act, except that for determination of what constitutes income such amount shall not exceed 50% of any such social security payments and shall not include any social security payments to a claimant who prior to attaining full retirement age had been receiving disability payments under the federal social security act in an amount not to exceed the amount of such disability payments or 50% of any such social security payments, whichever is greater, all dividends and interest from whatever source derived not included in adjusted gross income, workers compensation and the gross amount of "loss of time" insurance. Income does not include gifts from nongovernmental sources or surplus food or other

relief in kind supplied by a governmental agency, nor shall net operating losses and net capital losses be considered in the determination of income. Income does not include veterans disability pensions. Income does not include disability payments received under the federal social security act.

(b) "Household" means a claimant, a claimant and spouse who occupy the homestead or a claimant and one or more individuals not related as husband and wife who together occupy a homestead.

(c) "Household income" means all income received by all persons of a household in a calendar year while members of such household.

(d) "Homestead" means the dwelling, or any part thereof, whether owned and or rented which is occupied as a residence by the household and so much of the land surrounding it, as defined as a home site for ad valorem tax purposes, and may consist of a part of a multi-dwelling or multi-purpose building and a part of the land upon which it is built or a manufactured home or mobile home and the land upon which it is situated. "Owned" includes a vendee in possession under a land contract, a life tenant, a beneficiary under a trust and one or more joint tenants or tenants in common.

(e) "Claimant" means a person who has filed a claim under the provisions of this act and was, during the entire calendar year preceding the year in which such claim was filed for refund under this act, except as provided in K.S.A. 79-4503, and amendments thereto, both domiciled in this state and was: (1) A person having a disability; (2) a person who is 55 years of age or older; (3) a disabled veteran; (4) the surviving spouse of active duty military personnel who died in the line of duty; or (5) a person other than a person included under (1), (2), (3) or (4) having one or more dependent children under 18 years of age residing at the person's homestead during the calendar year immediately preceding the year in which a claim is filed under this act. The surviving spouse of a disabled veteran who was receiving benefits pursuant to subsection (e)(3) of this section at the time of the veterans' death, shall be eligible to continue to receive benefits until such time the surviving spouse remarries.

When a homestead is occupied by two or more individuals and more than one of the individuals is able to qualify as a claimant, the individuals may determine between them as to whom the claimant will be. If they are unable to agree, the matter shall be referred to the secretary of revenue whose decision shall be final.

(f) "Property taxes accrued" means property taxes, exclusive of special assessments, delinquent interest and charges for service, levied on a claimant's homestead in 1979 or any calendar year thereafter by the state of Kansas and the political and taxing subdivisions of the state. When a homestead is owned by two or more persons or entities as joint tenants or tenants in common and one or more of the persons or entities is not a member of claimant's household, "property taxes accrued" is that part of property taxes levied on the homestead that reflects the ownership percentage of the claimant's household. For purposes of this act, property taxes are "levied" when the tax roll is delivered to the local treasurer with the treasurer's warrant for collection. When a claimant and household own their homestead part of a calendar year, "property taxes accrued" means only taxes levied on the homestead when both owned and occupied as a homestead by the claimant's household at the time of the levy, multiplied by the percentage of 12 months that the property was owned and occupied by the household as its homestead in the year. When a household owns and occupies two or more different homesteads in the same calendar year, property taxes accrued shall be

the sum of the taxes allocable to those several properties while occupied by the household as its homestead during the year. Whenever a homestead is an integral part of a larger unit such as a multi-purpose or multi-dwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value. For the purpose of this act, the word "unit" refers to that parcel of property covered by a single tax statement of which the homestead is a part.

(g) "Disability" means:

(1) Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, and an individual shall be determined to be under a disability only if the physical or mental impairment or impairments are of such severity that the individual is not only unable to do the individual's previous work but cannot, considering age, education and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the immediate area in which the individual lives or whether a specific job vacancy exists for the individual, or whether the individual would be hired if application was made for work. For purposes of the preceding sentence (with respect to any individual), "work which exists in the national economy" means work which exists in significant numbers either in the region where the individual lives or in several regions of the country; for purposes of this subsection, a "physical or mental impairment" is an impairment that results from anatomical, physiological or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques; or

(2) blindness and inability by reason of blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which the individual has previously engaged with some regularity and over a substantial period of time.

(h) "Blindness" means central visual acuity of $^{20}/_{200}$ or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for the purpose of this paragraph as having a central visual acuity of $^{20}/_{200}$ or less.

(i) "Disabled veteran" means a person who is a resident of Kansas and has been honorably discharged from active service in any branch of the armed forces of the United States or Kansas national guard and who has been certified by the United States department of veterans affairs or its successor to have a 50% permanent disability sustained through military action or accident or resulting from disease contracted while in such active service.

(j) "Rent constituting property taxes accrued" means 10% of the gross rent actually paid in cash or its equivalent in 2015 or any taxable year thereafter by a claimant and claimant's household solely for the right of occupancy of a Kansas homestead on which ad valorem property taxes were levied in full for that year. When a household occupies two or more different homesteads in the same calendar year, rent constituting property taxes accrued shall be computed by adding the rent constituting property taxes accrued for each property rented by the household while occupied by the household as its homestead during the year.

(k) "Gross rent" means the rental paid at arm's length solely for the right of

occupancy of a homestead or space rental paid to a landlord for the parking of a mobile home, exclusive of charges for any utilities, services, furniture and furnishings or personal property appliances furnished by the landlord as a part of the rental agreement, whether or not expressly set out in the rental agreement. Whenever the director of taxation finds that the landlord and tenant have not dealt with each other at arm's length and that the gross rent charge was excessive, the director may adjust the gross rent to a reasonable amount for the purposes of the claim.

Sec. 4. K.S.A. 2014 Supp. 79-4508 is hereby amended to read as follows: 79-4508. (a) Commencing in the tax year beginning after December 31, ~~2005~~ 2014, the amount of any claim pursuant to this act shall be computed by deducting the amount computed under column (2) from the amount of claimant's property tax accrued or rent constituting property tax accrued, or both.

	(1) Claimants household income	(2) Deduction from property tax accrued <u>or rent constituting</u> property tax accrued, or both
	But not more than	
At least		
\$0	\$6,000	\$0
6,001	7,000	4%
7,001	16,000	4% plus 4% of every \$1,000, or fraction thereof, of income in excess of \$7,001
16,001	27,000	40% plus 5% of every \$1,000, or fraction thereof, of income in excess of \$16,001
27,001	27,600	95%

(b) The director of taxation shall prepare a table under which claims under this act shall be determined. The amount of claim for each bracket shall be computed only to the nearest \$1.

(c) The claimant may elect not to record the amount claimed on the claim. The claim allowable to persons making this election shall be computed by the department which shall notify the claimant by mail of the amount of the allowable claim.

(d) ~~In the case of all tax years commencing after December 31, 2004,~~ The upper limit threshold amount prescribed in this section, shall be increased by an amount equal to such threshold amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) of the federal internal revenue code for the calendar year in which the taxable year commences.

Sec. 5. K.S.A. 2014 Supp. 79-4509 is hereby amended to read as follows: 79-4509. In the event property taxes accrued or rent constituting property taxes accrued, or the sum of both, exceeds \$700 for a household in any one year, the amount thereof ~~shall,~~ for purposes of this act, shall be deemed to have been \$700.

Sec. 6. K.S.A. 2014 Supp. 79-4511 is hereby amended to read as follows: 79-4511. (a) Every claimant under this act shall supply to the division, in support of a claim,

reasonable proof of age or disability, and changes of homestead, household membership, household income, and size and nature of property claimed as the homestead. A claim alleging disability shall be supported by a report of the examining physician of the claimant with a statement or certificate that the applicant has a disability within the meaning of ~~subsection (g)~~ of K.S.A. 79-4502(g), and amendments thereto.

(b) Every claimant who is a homestead owner, or whose claim is based wholly or partly upon homestead ownership at some time during the calendar year, shall supply to the division, in support of a claim, the amount of property taxes levied upon the property claimed as a homestead and a statement that the property taxes accrued used for purposes of this act have been or will be paid by the claimant. Upon request by the division, such claimant shall provide a copy of the statement of property taxes levied upon the property claimed as a homestead. The amount of personal property taxes levied on a manufactured home or mobile home shall be set out on the personal property tax statement showing the amount of such tax as a separate item.

(c) Every claimant who is a homestead renter, or whose claim is based wholly or partly upon homestead rental at some time during the calendar year, shall supply to the division, in support of a claim, a statement prescribed by the director certifying the amount of gross rent paid and that ad valorem property taxes were levied in full for that year on the property, all or a part of which was rented by the claimant. When such claimant reports household income that is 150% or less of the homestead rental amount and such claimant has failed to provide any documentation or information requested by the division to verify such household income in support of a claim as required pursuant to subsection (a), within 30 days of such request, such homestead property tax refund claim shall be denied.

(d) The information required to be furnished under subsection (b) or (c) shall be in addition to that required under subsection (a).

Sec. 7. K.S.A. 2014 Supp. 79-4522 is hereby amended to read as follows: 79-4522. A person owning or occupying a homestead that is not rental property and for which the appraised valuation for property tax purposes exceeds \$350,000 in any year shall not be entitled to claim a refund of property taxes under the homestead property tax refund act for any such year. The provisions of this section shall be part of and supplemental to the homestead property tax refund act.";

Also on page 1, in line 33, by striking "is" and inserting ", 79-4501, 79-4502, 79-4508, 79-4509, 79-4511 and 79-4522 are";

And by renumbering sections accordingly;

Also on page 1, in the title, in line 1, by striking "property"; in line 3, after the semicolon by inserting "homestead property tax refund, eligibility, renters;"; in line 4, after "79-227" by inserting ", 79-4501, 79-4502, 79-4508, 79-4509, 79-4511 and 79-4522"; also in line 4, by striking "section" and inserting "sections"

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 13; Nays 18; Present and Passing 4; Absent or Not Voting 5.

Yeas: Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Kelly, Knox, LaTurner, McGinn, O'Donnell, Petersen, Pettey, Schmidt.

Nays: Abrams, Arpke, Bruce, Denning, Donovan, Kerschen, King, Love, Lynn, Masterson, Melcher, Ostmeyer, Pilcher-Cook, Powell, Pyle, Smith, Tyson, Wilborn.

Present and Passing: Baumgardner, Holmes, Olson, Wolf.

Absent or Not Voting: Bowers, Haley, Hawk, Longbine, Wagle.

A motion by Senator Francisco to amend **SB 48** was withdrawn.

HB 2223, HB 2352 be amended by the adoption of the committee amendments, and the bills be passed as amended. An amendment by Senator O'Donnell on **HB 2223** was withdrawn.

The committee report on **HB 2074** recommending **S Sub HB 2074** be adopted, be amended by motion of Senator Powell, on page 12, following line 34, by inserting:

"Sec. 7. K.S.A. 2014 Supp. 74-8814 is hereby amended to read as follows: 74-8814. (a) ~~(1)~~ Subject to the provisions of subsection (b), the commission shall establish by rules and regulations an application fee not exceeding ~~-\$500~~ \$50 for any ~~of the following organization listed in paragraph (2)~~ which applies for an organization license and the license fee for any of the following granted an organization license shall be ~~\$100~~ \$25 for each day of racing approved by the commission:

~~(1) (2)~~ Any fair association ~~other than the Greenwood county and Anthony fair associations~~, any horsemen's nonprofit organization or the national greyhound association of Abilene, Kansas, if: (A) Such association conducts not more than two race meetings each year; (B) such race meets are held within the boundaries of the county where the applicant is located; and (C) such race meetings are held for a total of not more than 40 days per year; ~~or~~

~~(2) the Greenwood county fair association or a horsemen's nonprofit organization, with respect to race meetings conducted by such association or organization at Eureka Downs, or the Anthony fair association or a horsemen's nonprofit organization, with respect to race meetings conducted by such association or organization at Anthony Downs, for which the number of race meetings and days, and the dates thereof, shall be specified by the commission.~~

(b) The commission shall adopt rules and regulations providing for expedited, simplified and less costly procedures and requirements for fair associations and horsemen's nonprofit organizations applying for or holding a license to conduct race meetings.

(c) The Kansas racing and gaming commission shall investigate the criminal background and credit history of:

(1) The president, vice-president, secretary and treasurer of a fair association, and such other members as the commission considers necessary, to determine eligibility for an organization license;

(2) each officer and each director of a nonprofit horsemen's organization, and such other members or shareholders as the commission considers necessary to determine eligibility for an organization license.

(d) Except as otherwise provided by this section, all applicants for organization licenses for the conduct of race meetings pursuant to the provisions of this section shall be required to comply with all the provisions of K.S.A. 74-8813, and amendments thereto.";

Also on page 12, in line 36, by striking "and" and inserting a comma; also in line 36, after "74-8751" by inserting "and 74-8814";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, by striking the first "and" and inserting a comma; also in line 2, after "74-8751" by inserting "and 74-8814"

S Sub HB 2074 be further amended by motion of Senator Abrams, on page 12, following line 34, by inserting:

"New Sec. 7. (a) Prior to any lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee paying any prize requiring the completion of an internal revenue service form W-2G, the manager or licensee shall cause the person winning the prize to be matched against the state debtor files maintained by the director of accounts and reports as prescribed under K.S.A. 75-6201 et seq., and amendments thereto. If such person is listed in the state debtor files, the prize shall be withheld by the lottery gaming facility manager, racetrack gaming facility manager or the facility owner licensee to the extent of such person's debt as set forth in the state debtor files.

(b) The lottery gaming facility manager, racetrack gaming facility manager and facility owner licensee shall not be subject to any civil, criminal or administrative liability for any actions taken pursuant to this section, unless such actions are intentional, malicious or wanton by such lottery gaming facility manager, racetrack gaming facility manager, facility owner licensee or employees or agents thereof. The sole remedy at law for persons who claim prizes were wrongfully withheld pursuant to this section shall be to submit an appeal to the department of administration pursuant to K.S.A. 75-6201 et seq., and amendments thereto.

(c) Moneys withheld, based on the state debtor files, shall be remitted to the state treasurer in accordance with K.S.A. 75-4215, and amendments thereto. The state treasurer shall deposit the entire amount in the state treasury and credit it to the department of administration's setoff clearing fund.

(d) As used in this section:

(1) "Facility owner licensee" shall have the same meaning as that term is defined in K.S.A. 74-8802, and amendments thereto.

(2) "Racetrack gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(3) "Lottery gaming facility manager" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto.

(4) "Prize" shall have the same meaning as that term is defined in K.S.A. 74-8702, and amendments thereto, and any winnings from parimutuel wagering as provided by the Kansas parimutuel racing act in K.S.A. 74-8801 et seq., and amendments thereto.

(e) Nothing in this section shall apply to Native American tribal gaming facilities.

(f) This section shall be part of and supplemental to the state debt setoff program.

Sec. 8. K.S.A. 2014 Supp. 75-6204 is hereby amended to read as follows: 75-6204.

(a) Subject to the limitations provided in this act, if a debtor fails to pay to the state of Kansas or any state agency, foreign state agency, municipality or the federal department of the treasury an amount owed, the director may setoff such amount against any money held for, or any money owed to, such debtor by the state ~~or~~ any state agency, lottery gaming facility manager, racetrack gaming facility manager or facility owner licensee.

(b) The director may enter into an agreement with a municipality for participation in the setoff program for the purpose of assisting in the collection of a debt as defined by K.S.A. 75-6202, and amendments thereto. The director shall include in any such agreement a provision requiring the municipality to certify that the municipality has made at least three attempts to collect a debt prior to submitting such debt to setoff pursuant to this act.";

Also on page 12, in line 36, by striking "and" and inserting a comma; also in line 36,

after "74-8751" by inserting "and 75-6204";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, after the semicolon by inserting "relating to debt setoff from gaming winnings;"; in line 2, by striking the first "and" and inserting a comma; also in line 2, after "74-8751" by inserting "and 75-6204" and **S Sub HB 2074** be passed as amended.

HB 2331 be amended by the adoption of the committee amendments, be amended by motion of Senator O'Donnell on page 4, in line 8, after the semicolon by inserting "or"; in line 12, by striking ";or"; by striking all in lines 13 and 14; in line 15, by striking all before the period;

On page 13, by striking all in lines 10 through 35; following line 35, by inserting:

"Sec. 7. K.S.A. 2014 Supp. 41-104 is hereby amended to read as follows: 41-104. No person shall manufacture, bottle, blend, sell, barter, transport, deliver, furnish or possess any alcoholic liquor for beverage purposes, except as specifically provided in this act, the club and drinking establishment act or article 27 of chapter 41 of the Kansas Statutes Annotated, and amendments thereto, except that nothing contained in this act shall prevent:

(a) The possession and transportation of alcoholic liquor for the personal use of the possessor, the possessor's family and guests except that the provisions of K.S.A. 41-407, and amendments thereto, shall be applicable to all persons;

(b) the making of wine, cider or beer by a person from fruits, vegetables or grains, or the product thereof, by simple fermentation and without distillation, if it is made solely for the use of the maker, the maker's family, guests and judges at a contest or competition of such beverages, provided, the maker receives no compensation for producing such beverages or for allowing the consumption thereof;

(c) any duly licensed practicing physician or dentist from possessing or using alcoholic liquor in the strict practice of the medical or dental profession;

(d) any hospital or other institution caring for sick and diseased persons, from possessing and using alcoholic liquor for the treatment of bona fide patients of such hospital or institution;

(e) any drugstore employing a licensed pharmacist from possessing and using alcoholic liquor in the compounding of prescriptions of duly licensed physicians;

(f) the possession and dispensation of wine by an authorized representative of any church for the purpose of conducting any bona fide rite or religious ceremony conducted by such church;

(g) the sale of wine to a consumer in this state by a person which holds a valid license authorizing the manufacture of wine in this or another state and the shipment of such wine directly to such consumer, subject to the following: (1) The consumer must be at least 21 years of age; (2) the consumer must purchase the wine while physically present on the premises of the wine manufacturer; (3) the wine must be for the consumer's personal consumption and not for resale; and (4) the consumer shall comply with the provisions of K.S.A. 41-407, and amendments thereto, by payment of all applicable taxes within such time after purchase of the wine as prescribed by rules and regulations adopted by the secretary;

(h) the serving of complimentary alcoholic liquor or cereal malt beverages at fund raising activities of charitable organizations as defined by K.S.A. 17-1760, and amendments thereto, and as qualified pursuant to 26 U.S.C.A. § 501(c) and by

committees formed pursuant to K.S.A. 25-4142 et seq., and amendments thereto. The serving of such alcoholic liquor at such fund raising activities shall not constitute a sale pursuant to this act, the club and drinking establishment act or article 27 of chapter 41 of the Kansas Statutes Annotated, and amendments thereto. Any such fund raising activity shall not be required to obtain a license or a temporary permit pursuant to this act, the club and drinking establishment act or article 27 of chapter 41 of the Kansas Statutes Annotated, and amendments thereto; ~~or~~

(i) the serving of complimentary alcoholic liquor or cereal malt beverage on the unlicensed premises of a business by the business owner or owner's agent at an event sponsored by a nonprofit organization promoting the arts and which has been approved by ordinance or resolution of the governing body of the city, county or township wherein the event will take place and whereby the director of the alcoholic beverage control has been notified thereof no less than 10 days in advance; or

(j) any unlicensed business from authorizing the possession and consumption of alcoholic liquor or cereal malt beverage by patrons of such business on private property owned or leased by such business when such alcoholic liquor or cereal malt beverage is in the personal possession of the patron and is not sold, offered for sale or given away by the owner of such business or any employees thereof.

~~(j)-(k)~~ (1) For purposes of subsection (b), the term "guest" means a natural person who is known to the host and receives a personal invitation to an event conducted by the host. The term "guest" shall not mean a natural person who receives an invitation to an event conducted by the host when such invitation has been made available to the general public.

(2) For purposes of subsection (j), "patron" means a natural person who is a customer of an unlicensed business."

Also on page 13, in line 36, after "Supp." by inserting "41-104,";

On page 1, in the title, in line 5, after "Supp." by inserting "41-104,"

HB 2331 be further amended by motion of Senator Baumgardner, on page 3, following line 7, by inserting:

"New Section 1. (a) Any person engaged in business as a vineyard with not less than 100 vines may apply to the director for an annual vineyard permit.

(b) A vineyard permit shall authorize the sale in the original, unopened container and the serving by the drink of wine on the premises specified in the permit. A vineyard permit also shall authorize the permit holder to conduct wine tastings in accordance with K.S.A. 2014 Supp. 41-308d, and amendments thereto, on the premises specified in the permit. All wine sold or served by the permit holder shall be produced, in whole or in part, using grapes grown by the permit holder.

(c) Any wine not consumed on the premises shall be disposed of by the permit holder or, prior to its removal from the property, securely re-sealed and placed in a tamper-proof, transparent bag which is sealed in a manner that makes it visibly apparent if the bag is subsequently opened.

(d) Permits issued under this section shall be valid for one year from the date of issuance.

(e) The annual fee for a vineyard permit shall be \$100.

(f) The secretary may adopt rules and regulations as necessary to implement the provisions of this section.

(g) This section shall be part of and supplemental to the Kansas liquor control act.";

And by renumbering sections accordingly

HB 2331 be further amended by motion of Senator O'Donnell on page 13, following line 35, by inserting:

"Sec. 8. K.S.A. 2014 Supp. 41-2640 is hereby amended to read as follows: 41-2640. (a) No club, drinking establishment, caterer or holder of a temporary permit, nor any person acting as an employee or agent thereof, shall:

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

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

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

(4) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or cereal malt beverage or the awarding of individual drinks as prizes; or

(5) advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections (a)(1) through (4).

(b) No public venue, nor any person acting as an employee or agent thereof, shall:

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

(2) offer or serve to any person a drink or original container of alcoholic liquor or cereal malt beverage at a price that is less than the acquisition cost of the drink or original container of alcoholic liquor or cereal malt beverage to the licensee;

(3) sell or serve alcoholic liquor in glass containers to customers in the general admission area;

(4) sell or serve more than two drinks per customer at any one time in the general admission area;

(5) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or cereal malt beverage or the awarding of drinks as prizes; or

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

(c) A public venue club, drinking establishment, caterer or holder of a temporary permit may:

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

(2) sell or deliver wine by the bottle or carafe;

(3) sell, offer to sell and serve individual drinks at different prices throughout any day;

(4) sell or serve beer or cereal malt beverage in a pitcher capable of containing not more than 64 fluid ounces;

(5) offer samples of alcohol liquor free of charge as authorized by this act; ~~or~~

(6) sell or serve margarita, sangria, daiquiri, mojito or other mixed alcoholic beverages as approved by the director in a pitcher containing not more than 64 fluid ounces; or

(7) offer customer self-service of wine from automated devices on licensed premises so long as the licensee monitors and has the ability to control the dispensing of

such wine from the automated devices.

(d) A hotel of which the entire premises is licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, distribute to its guests coupons redeemable on the hotel premises for drinks containing alcoholic liquor. The hotel shall remit liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto, on each drink served based on a price which is not less than the acquisition cost of the drink.

(e) A hotel of which the entire premises is not licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, through an agreement with one or more clubs or drinking establishments, distribute to its guests coupons redeemable at such clubs or drinking establishments for drinks containing alcoholic liquor. Each club or drinking establishment redeeming coupons issued by a hotel shall collect from the hotel the agreed price, which shall be not less than the acquisition cost of the drink plus the liquor drink tax for each drink served. The club or drinking establishment shall collect and remit the liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto.

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

(g) Violation of any provision of this section shall be grounds for 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.";

Also on page 13, in line 37, by striking "and" and inserting ", 41-2640 and";

And by renumbering sections accordingly;

On page 1, in the title, in line 6, by striking the first "and" and inserting ", 41-2640 and"

HB 2331 be further amended by motion of Senator Lynn on page 5, following line 21, by inserting:

"(12) On the premises of the state capitol building or on its surrounding premises during an official state function that has been approved by the legislative coordinating council.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 21; Nays 16; Present and Passing 1; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Bowers, Bruce, Denning, Faust-Goudeau, Fitzgerald, Holmes, King, LaTurner, Longbine, Lynn, Melcher, O'Donnell, Olson, Pilcher-Cook, Powell, Smith, Wagle, Wilborn, Wolf.

Nays: Baumgardner, Donovan, Francisco, Hensley, Holland, Kelly, Kerschen, Knox, Love, Masterson, McGinn, Ostmeyer, Petersen, Pyle, Schmidt, Tyson.

Present and Passing: Pettey.

Absent or Not Voting: Haley, Hawk.

The motion passed and **HB 2331** be passed as further amended.

A motion by Senator Bruce to amend **HB 2331** failed and the following amendment failed: on page 13, following line 35, by inserting:

"New Sec. 8. (a) On and after July 1, 2016, the director may issue to qualified applicants a beer retailer's license. A beer retailer's license shall allow the licensee to sell and offer for sale at retail and deliver in the original package, as therein prescribed, beer for use or consumption off of and away from the premises specified in such license.

(b) A beer retailer's license shall permit the sale and delivery of beer only on the licensed premises and shall not permit the sale of beer for resale in any form, except that the licensee may:

(1) Sell beer to a temporary permit holder for resale by such temporary permit holder; and

(2) sell and deliver beer to a caterer or to the licensed premises of a tavern, club or drinking establishment, if such premises are in the county where the retailer's licensed premises are located or in an adjacent county, for resale by such caterer, tavern, club or drinking establishment.

(c) A beer retailer's licensee may:

(1) Charge a delivery fee for delivery of beer to a caterer, tavern, club or drinking establishment pursuant to subsection (b);

(2) sell lottery tickets and shares to the public in accordance with the Kansas lottery act, if the licensee is selected as a lottery retailer;

(3) include in the sale of beer any goods included by the manufacturer in packaging with the beer, subject to the approval of the director;

(4) distribute to the public, without charge, consumer advertising specialties bearing advertising matter, subject to rules and regulations of the secretary limiting the form and distribution of such specialties so that they are not conditioned on or an inducement to the purchase of beer;

(5) store beer in refrigerators, cold storage units, ice boxes or other cooling devices, and sell such beer to consumers in a chilled condition; and

(6) sell any other good or service on the licensed premises.

(d) A beer retailer's license shall be subject to the provisions of K.S.A. 41-1101, and amendments thereto, prohibiting a retailer from purchasing alcoholic liquor from a distributor, who has not filed with the director a sworn statement agreeing to sell to all retailers in the distributor's franchised territory at the same unit price and prohibiting a distributor from selling alcoholic liquor to a retailer at a discount for multiple case lots. A beer retailer's license also shall be subject to the provisions of K.S.A. 41-729, and amendments thereto, prohibiting the sale of alcoholic liquor at less than the acquisition cost thereof.

(e) This section shall be part of and supplemental to the Kansas liquor control act.

New Sec. 9. (a) The director may propose rules and regulations necessary to implement and administer the provisions of this act, and submit such rules and regulations to the secretary in accordance with K.S.A. 41-210, and amendments thereto. Such rules and regulations may include, but are not limited to:

(1) That on and after July 1, 2016, the number of beer retailer's licenses that are issued by the director in any one month may be limited to that number which may be reasonably processed and issued by the director based on the resources of the division of alcoholic beverage control; and

(2) that submission of applications for a beer retailer's license to the director and review of such applications by the director for compliance with the Kansas liquor control act may be permitted prior to July 1, 2016.

(b) This section shall be part of and supplemental to the Kansas liquor control act.

New Sec. 10. (a) On and after July 1, 2016, 3% of the revenue remitted to the state treasurer pursuant to K.S.A. 79-4108, and amendments thereto, during the prior calendar year quarter that is deposited in the state treasury shall be credited to the local beer sales enforcement fund, which is hereby created in the state treasury. Moneys credited to the local beer sales enforcement fund shall be distributed quarterly as part of the January, April, July and October sales tax distribution to each city and county which levied a local retailers' sales tax. The amount to be distributed to each city and county shall be determined by the department of revenue based on a weighted population average. The weighted population average shall be computed by multiplying the total tax rate in effect for the city or county by the population of such city or county. The weighted population average for each city and county shall then be divided by the total Kansas population. The resulting quotient is the percentage of distribution for such city or county. The population data shall be updated annually with the issuance of the certified population data through the division of the budget.

(b) The local beer sales enforcement fund shall be used for the purposes set forth in K.S.A. 79-4101 et seq., and amendments thereto, and for no other governmental purposes. It is the intent of the legislature that the local beer sales enforcement fund shall remain intact and inviolate for the purposes set forth in K.S.A. 79-4101 et seq., and amendments thereto, and moneys in the local beer sales enforcement fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

(c) This section shall be part of and supplemental to the Kansas liquor control act.

New Sec. 11. (a) As used in the Kansas liquor control act:

(1) "Beer retailer's license" means a license to sell at retail beer in the original package issued pursuant to the Kansas liquor control act.

(2) "Convenience store" means a retail business with primary emphasis placed on providing the public a convenient location to quickly purchase from a wide array of consumable products (predominantly food or food and gasoline) and services.

(3) "Grocery store" means an establishment primarily engaged in retailing a general line of groceries, including, but not limited to, packaged food, fresh and frozen food, prepared foods and other consumable products, and includes establishments primarily engaged in retailing a general line of groceries in combination with general lines of new merchandise.

(4) "Liquor store" means an establishment whose primary business is the retail sale of alcoholic liquor in the original and unopened container and not for consumption on the premises.

(5) "Retailer's license" means a license to sell at retail alcoholic liquor in the original package issued pursuant to the Kansas liquor control act.

(b) This section shall be part of and supplemental to the Kansas liquor control act.

New Sec. 12. (a) On and after July 1, 2016, whenever the term "cereal malt beverage" is referred to by statute, such reference shall be deemed to mean "beer" as that term is defined in K.S.A. 41-102, and amendments thereto.

(b) This section shall be part of and supplemental to the Kansas liquor control act.

New Sec. 13. (a) A license for a tavern shall allow the licensee to offer for sale, sell and serve beer by the individual drink for consumption on the licensed premises which may be open to the public, and to serve samples of beer free of charge on the licensed premises subject to the requirements of subsection (b), but only if such premises are located in a county where the qualified electors of the county have approved, by a majority vote of those voting thereon, the proposition to amend section 10 of article 15 of the constitution of the state of Kansas at the general election in November 1986, or have approved a proposition to allow sales of alcoholic liquor by the individual drink in public places within the county at an election pursuant to K.S.A. 41-2646, and amendments thereto, and have not approved a proposition to prohibit such sales of alcoholic liquor in such places at a subsequent election pursuant to K.S.A. 41-2646, and amendments thereto.

(b) No charge of any sort may be made for a sample serving. A person may be served no more than five samples per visit. Samples may not be served to a minor. No samples may be removed from the licensed premises. Providing samples is prohibited for any licensee who charges a cover charge or entry fee at any time during the business day. No consideration shall be requested or required for entry onto the premises, participation in any event taking place on the premises or to remain on the premises.

(c) A tavern shall specify in the application for a license or renewal of a license the premises to be licensed, which may include all premises which are in close proximity and are under the control of the applicant or licensee.

(d) This section shall be part of and supplemental to the club and drinking establishment act.

(e) This section shall be effective from and after July 1, 2016.

Sec. 14. From and after July 1, 2016, K.S.A. 2014 Supp. 41-102 is hereby amended to read as follows: 41-102. As used in this act, unless the context clearly requires otherwise:

(a) "Alcohol" means the product of distillation of any fermented liquid, whether rectified or diluted, whatever its origin, and includes synthetic ethyl alcohol but does not include denatured alcohol or wood alcohol.

(b) "Alcoholic liquor" means alcohol, spirits, wine, beer and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by a human being, ~~but shall not include any cereal malt beverage.~~

(c) "Beer" means ~~a beverage, containing more than 3.2% alcohol by weight, obtained by alcoholic fermentation of an infusion or decoction of barley, or other grain, malt and hops in water and includes beer, ale, stout, lager beer, porter and similar beverages having such alcoholic content~~ beer, ale, porter, stout and other similar fermented beverages, including saké or similar products, of any name or description containing 0.5% or more of alcohol by volume, that is brewed or produced, wholly or in part, from malt, rice, grain of any kind, bran, glucose, sugar or molasses.

~~(d)~~ (e) "Caterer" has the meaning provided by K.S.A. 41-2601, and amendments thereto.

~~(e)~~ (f) "Cereal malt beverage" has the meaning provided by K.S.A. 41-2701, and amendments thereto.

~~(f)~~ (g) "Club" has the meaning provided by K.S.A. 41-2601, and amendments thereto.

~~(g)~~ (h) "Director" means the director of alcoholic beverage control of the department of revenue.

~~(h)~~ (i) "Distributor" means the person importing or causing to be imported into the

state, or purchasing or causing to be purchased within the state, alcoholic liquor for sale or resale to retailers licensed under this act ~~or cereal malt beverage for sale or resale to retailers licensed under K.S.A. 41-2702, and amendments thereto.~~

~~(h)~~ (h) "Domestic beer" means beer which contains not more than 10% alcohol by weight and which is manufactured in this state.

~~(i)~~ (i) "Domestic fortified wine" means wine which contains more than 14%, but not more than 20% alcohol by volume and which is manufactured in this state.

~~(j)~~ (j) "Domestic table wine" means wine which contains not more than 14% alcohol by volume and which is manufactured without rectification or fortification in this state.

~~(k)~~ (k) "Drinking establishment" has the meaning provided by K.S.A. 41-2601, and amendments thereto.

~~(l)~~ (l) "Farm winery" means a winery licensed by the director to manufacture, store and sell domestic table wine and domestic fortified wine.

~~(m)~~ (m) "Manufacture" means to distill, rectify, ferment, brew, make, mix, concoct, process, blend, bottle or fill an original package with any alcoholic liquor, beer or cereal malt beverage.

~~(n)~~ (n) (1) "Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler or person who fills or refills an original package and others engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquor; ~~beer or cereal malt beverage.~~

(2) "Manufacturer" does not include a microbrewery, microdistillery or a farm winery.

~~(o)~~ (o) "Microbrewery" means a brewery licensed by the director to manufacture, store and sell domestic beer.

~~(p)~~ (p) "Microdistillery" means a facility which produces spirits from any source or substance that is licensed by the director to manufacture, store and sell spirits.

~~(q)~~ (q) "Minor" means any person under 21 years of age.

~~(r)~~ (r) "Nonbeverage user" means any manufacturer of any of the products set forth and described in K.S.A. 41-501, and amendments thereto, when the products contain alcohol or wine, and all laboratories using alcohol for nonbeverage purposes.

~~(s)~~ (s) "Original package" means any bottle, flask, jug, can, cask, barrel, keg, hogshead or other receptacle or container whatsoever, used, corked or capped, sealed and labeled by the manufacturer of alcoholic liquor, to contain and to convey any alcoholic liquor. Original container does not include a sleeve.

~~(t)~~ (t) "Person" means any natural person, corporation, partnership, trust or association.

~~(u)~~ (u) "Primary American source of supply" means the manufacturer, the owner of alcoholic liquor at the time it becomes a marketable product or the manufacturer's or owner's exclusive agent who, if the alcoholic liquor cannot be secured directly from such manufacturer or owner by American wholesalers, is the source closest to such manufacturer or owner in the channel of commerce from which the product can be secured by American wholesalers.

~~(v)~~ (v) (1) "Retailer" means a person who sells at retail, or offers for sale at retail, alcoholic liquors.

(2) "Retailer" does not include a microbrewery, microdistillery or a farm winery.

~~(w)~~ (w) "Sale" means any transfer, exchange or barter in any manner or by any means whatsoever for a consideration and includes all sales made by any person, whether principal, proprietor, agent, servant or employee.

~~(y)~~(x) "Salesperson" means any natural person who:

(1) Procures or seeks to procure an order, bargain, contract or agreement for the sale of alcoholic liquor ~~or cereal-malt beverage~~; or

(2) is engaged in promoting the sale of alcoholic liquor ~~or cereal-malt beverage~~, or in promoting the business of any person, firm or corporation engaged in the manufacturing and selling of alcoholic liquor ~~or cereal-malt beverage~~, whether the seller resides within the state of Kansas and sells to licensed buyers within the state of Kansas, or whether the seller resides without the state of Kansas and sells to licensed buyers within the state of Kansas.

~~(z)~~(y) "Secretary" means the secretary of revenue.

~~(aa)~~(z) (1) "Sell at retail" and "sale at retail" refer to and mean sales for use or consumption and not for resale in any form and sales to licensed taverns, licensed clubs, licensed drinking establishments, licensed caterers or holders of temporary permits.

(2) "Sell at retail" and "sale at retail" do not refer to or mean sales by a distributor, a microbrewery, a farm winery, a licensed tavern, a licensed club, a licensed drinking establishment, a licensed caterer or a holder of a temporary permit.

~~(bb)~~(aa) "To sell" includes to solicit or receive an order for, to keep or expose for sale and to keep with intent to sell.

~~(cc)~~(bb) "Sleeve" means a package of two or more 50-milliliter (3.2-fluid-ounce) containers of spirits.

~~(dd)~~(cc) "Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whiskey, gin or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

~~(ee)~~(dd) "Supplier" means a manufacturer of alcoholic liquor ~~or cereal-malt beverage~~ or an agent of such manufacturer, other than a salesperson.

~~(ff)~~(ee) "Temporary permit" has the meaning provided by K.S.A. 41-2601, and amendments thereto.

~~(gg)~~(ff) "Wine" means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits, berries or other agricultural products, including such beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies.

Sec. 15. From and after July 1, 2016, K.S.A. 2014 Supp. 41-301 is hereby amended to read as follows: 41-301. (a) ~~Except as provided by subsection (b), the director shall issue to qualified applicants, who have filed the bond and paid the registration and license fees required by this act, licenses to sell at retail alcoholic liquor in the original package on premises within the corporate limits of cities and outside the corporate limits of any city.~~

~~(b) No retailer's license or beer retailer's license shall be issued for premises within a city if the governing body of such city, on or before February 15, 2006, adopts adopted an ordinance prohibiting the licensing of the sale at retail of alcoholic liquor in the original package within such city. Upon adoption of such ordinance, the city clerk promptly shall transmit a copy of such ordinance to the director and the director shall refuse to issue licenses to sell at retail alcoholic liquor in the original package in such city. If the governing body adopts such an ordinance, the holder of any valid existing retailer's license for premises in such city shall have the right to continue to operate under such license for a period of 90 days after the effective date of the ordinance or~~

until the expiration of such license, whichever period of time is shorter. If such period of time expires before the expiration of the term for which the retailer's license was issued, the licensee shall be entitled to a refund of the license fee for the unexpired portion of the license period which remains, in accordance with rules and regulations adopted by the secretary.

(e) ~~(b)~~ No retailer's license or beer retailer's license shall be issued for premises within a city if, after November 15, 2005, a majority of the qualified voters of such city voting at an election held as provided by K.S.A. 41-302, and amendments thereto, votes against the licensing of the sale at retail of alcoholic liquor in the original package within such city unless, at a subsequent election, a majority of the qualified voters of such city voting at such election votes in favor of the licensing of the sale at retail of alcoholic liquor in the original package within such city.

Sec. 16. From and after July 1, 2016, K.S.A. 2014 Supp. 41-303 is hereby amended to read as follows: 41-303. ~~(a) The director may issue to qualified applicants licenses to sell at retail alcoholic liquor in the original package on premises not located in an incorporated city for use or consumption off the premises. No such license shall be issued to any applicant unless the applicant possesses all the qualifications required of other applicants for retailers' licenses except the qualification of residency within a city.~~

~~No such~~ No retailer's license or beer retailer's license shall be issued to any applicant under this section for premises not located in an incorporated city unless the board of county commissioners of the county in which the premises for which licensure is sought are located adopts a resolution approving the issuance of such license. A certified copy of such resolution shall accompany the application for a such license ~~authorized by this section.~~

~~(b) If a license has been issued under the provisions of this section in the unincorporated area of a county and thereafter the premises so licensed are annexed to a city wherein retail liquor licenses may be issued, such license shall continue to be valid and may be renewed at the appropriate time even though the licensee does not reside in the city to which the area is annexed if the licensee otherwise is qualified and resides in the township in which the premises were located prior to annexation or in the city to which the premises have been annexed.~~

~~(c) Any retail~~ Any retailer's license issued prior to the effective date of this act for premises not located in an incorporated city shall continue to be valid and such premises shall continue to be eligible for licensure if the board of county commissioners of the county in which the premises are located has adopted a resolution approving the issuance of such license. A certified copy of such resolution shall accompany the application for a such license ~~authorized by this subsection.~~

Sec. 17. From and after July 1, 2016, K.S.A. 2014 Supp. 41-304 is hereby amended to read as follows: 41-304. Licenses issued by the director shall be of the following classes: (a) Manufacturer's license; (b) spirits distributor's license; (c) wine distributor's license; (d) beer distributor's license; (e) retailer's license; (f) beer retailer's license; (g) microbrewery license; ~~(g) (h)~~ microdistillery license; ~~(h) (i)~~ farm winery license; and ~~(i) (j)~~ nonbeverage user's license.

Sec. 18. From and after July 1, 2016, K.S.A. 2014 Supp. 41-308 is hereby amended to read as follows: 41-308. (a) Except as provided in K.S.A. 2014 Supp. 41-308d, and amendments thereto, a retailer's license shall allow the licensee to sell and offer for sale at retail and deliver in the original package, as therein prescribed, alcoholic liquor for

use or consumption off and away from the premises specified in such license. A retailer's license shall permit sale and delivery of alcoholic liquor only on the licensed premises and shall not permit sale of alcoholic liquor for resale in any form, except that a licensed retailer may:

(1) Sell alcoholic liquor to a temporary permit holder for resale by such permit holder; and

(2) sell and deliver alcoholic liquor to a caterer or to the licensed premises of a public venue, tavern, club or drinking establishment, if such premises are in the county where the retailer's premises are located or in an adjacent county, for resale by such public venue, tavern, club, establishment or caterer.

~~(b) The holder of a retailer's license shall not sell, offer for sale, give away or permit to be sold, offered for sale or given away in or from the premises specified in such license any service or thing of value whatsoever except alcoholic liquor in the original package, except that a licensed retailer may:~~

~~(1) Charge a delivery fee for delivery to a public venue, tavern, club, drinking establishment or caterer pursuant to subsection (a);~~

~~(2) sell lottery tickets and shares to the public in accordance with the Kansas lottery act, if the retailer is selected as a lottery retailer;~~

~~(3) include in the sale of alcoholic liquor any goods included by the manufacturer in packaging with the alcoholic liquor, subject to the approval of the director; and~~

~~(4) distribute to the public, without charge, consumer advertising specialties bearing advertising matter, subject to rules and regulations of the secretary limiting the form and distribution of such specialties so that they are not conditioned on or an inducement to the purchase of alcoholic liquor;~~

~~(5) store alcoholic liquor in refrigerators, cold storage units, ice boxes or other cooling devices, and the licensee may sell such alcoholic liquor to consumers in a chilled condition; and~~

~~(6) sell any other good or service on the licensed premises.~~

~~(e) No licensed retailer shall furnish any entertainment in such premises or permit any pinball machine or game of skill or chance to be located in or on such premises.~~

~~(d) A retailer's license shall allow the licensee to store alcoholic liquor in refrigerators, cold storage units, ice boxes or other cooling devices, and the licensee may sell such alcoholic liquor to consumers in a chilled condition.~~

Sec. 19. From and after July 1, 2016, K.S.A. 2014 Supp. 41-310 is hereby amended to read as follows: 41-310. (a) At the time application is made to the director for a license of any class, the applicant shall pay the fee provided by this section.

(b) The fee for a manufacturer's license to manufacture alcohol and spirits shall be \$5,000.

(c) The fee for a manufacturer's license to manufacture beer ~~and cereal malt beverage~~ shall be:

(1) For 1 to 100 barrel daily capacity or any part thereof, \$400.

(2) For 100 to 150 barrel daily capacity, \$800.

(3) For 150 to 200 barrel daily capacity, \$1,400.

(4) For 200 to 300 barrel daily capacity, \$2,000.

(5) For 300 to 400 barrel daily capacity, \$2,600.

(6) For 400 to 500 barrel daily capacity, \$2,800.

(7) For 500 or more barrel daily capacity, \$3,200.

As used in this subsection, "daily capacity" means the average daily barrel production for the previous 12 months of manufacturing operation. If no basis for comparison exists, the licensee shall pay in advance for operation during the first term of the license a fee of \$2,000.

(d) The fee for a manufacturer's license to manufacture wine shall be \$1,000.

(e) (1) The fee for a microbrewery license, a microdistillery license or a farm winery license shall be \$500.

(2) The fee for a winery outlet license shall be \$100.

(3) The fee for a microbrewery packaging and warehousing facility license shall be \$200.

(4) The fee for a microdistillery packaging and warehousing facility license shall be \$200.

(f) The fee for a spirits distributor's license for the first and each additional distributing place of business operated in this state by the licensee and wholesaling and jobbing spirits shall be \$2,000.

(g) The fee for a wine distributor's license for the first and each additional distributing place of business operated in this state by the licensee and wholesaling and jobbing wine shall be \$2,000.

(h) The fee for a beer distributor's license, for the first and each additional wholesale distributing place of business operated in this state by the licensee and wholesaling or jobbing beer ~~and cereal-malt beverage~~ shall be \$2,000.

(i) The fee for a nonbeverage user's license shall be:

(1) For class 1, \$20.

(2) For class 2, \$100.

(3) For class 3, \$200.

(4) For class 4, \$400.

(5) For class 5, \$1,000.

(j) In addition to the license fees prescribed by subsections (b), (c), (d), (f), (g), (h) and (i):

(1) Any city in which the licensed premises are located may levy and collect a biennial occupation or license tax on the licensee in an amount not exceeding the amount of the license fee required to be paid under this act to obtain the license, but no city shall impose an occupation or privilege tax on the licensee in excess of that amount; and

(2) any township in which the licensed premises are located may levy and collect a biennial occupation or license tax on the licensee in an amount not exceeding the amount of the license fee required to be paid under this act to obtain the license, but no township shall impose an occupation or privilege tax on the licensee in excess of that amount; the township board of the township is authorized to fix and impose the tax and the tax shall be paid by the licensee to the township treasurer, who shall issue a receipt therefor to the licensee and shall cause the tax paid to be placed in the general fund of the township.

(k) The fee for a retailer's license shall be \$500.

(l) The fee for a beer retailer's license shall be \$2,000.

~~(m)~~ (m) In addition to the license fee prescribed by subsection (k):

(1) Any city in which the licensed premises are located may levy and collect a biennial occupation or license tax on the licensee in an amount not less than \$200 nor

more than \$600, but no other occupation or excise tax or license fee shall be levied by any city against or collected from the licensee; and

(2) any township in which the licensed premises are located may levy and collect a biennial occupation or license tax on the licensee in an amount not less than \$200 nor more than \$600; the township board of the township is authorized to fix and impose the tax and the tax shall be paid by the licensee to the township treasurer, who shall issue a receipt therefor to the licensee and shall cause the tax paid to be placed in the general fund of the township.

~~(m)~~ (n) The license term for a license shall commence on the date the license is issued by the director and shall end two years after that date. The director may, at the director's sole discretion and after examination of the circumstances, extend the license term of any license for not more than 30 days beyond the date such license would expire pursuant to this section. Any extension of the license term by the director pursuant to this section shall automatically extend the due date for payment by the licensee of any occupation or license tax levied by a city or township pursuant to this section by the same number of days the director has extended the license term.

Sec. 20. From and after July 1, 2016, K.S.A. 2014 Supp. 41-311 is hereby amended to read as follows: 41-311. (a) No license of any kind shall be issued pursuant to the liquor control act to a person:

- (1) Who is not a citizen of the United States;
- (2) who has been convicted of a felony under the laws of this state, any other state or the United States;
- (3) who has had a license revoked for cause under the provisions of the liquor control act, or the beer and cereal malt beverage keg registration act or ~~who has had any license issued under the cereal malt beverage laws of any state revoked for cause~~ except that a license may be issued to a person whose license was revoked for the conviction of a misdemeanor at any time after the lapse of 10 years following the date of the revocation;
- (4) who has been convicted of being the keeper or is keeping any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older or has forfeited bond to appear in court to answer charges of being a keeper of any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older;
- (5) who has been convicted of being a proprietor of a gambling house, pandering or any other crime opposed to decency and morality or has forfeited bond to appear in court to answer charges for any of those crimes;
- (6) who is not at least 21 years of age;
- (7) who, other than as a member of the governing body of a city or county, appoints or supervises any law enforcement officer, who is a law enforcement official or who is an employee of the director;
- (8) who intends to carry on the business authorized by the license as agent of another;
- (9) who at the time of application for renewal of any license issued under this act would not be eligible for the license upon a first application, except as provided by subsection ~~(a)(12)~~ (a)(11);
- (10) ~~who is the holder of a valid and existing license issued under article 27 of chapter 41 of the Kansas Statutes Annotated, and amendments thereto, unless the person~~

agrees to and does surrender the license to the officer issuing the same upon the issuance to the person of a license under this act, except that a retailer licensed pursuant to K.S.A. 41-2702, and amendments thereto, shall be eligible to receive a retailer's license under the Kansas liquor control act;

(H) who does not own the premises for which a license is sought, or does not, at the time of application, have a written lease thereon;

~~(I)~~ (I) whose spouse would be ineligible to receive a license under this act for any reason other than citizenship, residence requirements or age, except that this subsection (a)(I) shall not apply in determining eligibility for a renewal license;

~~(J)~~ (J) whose spouse has been convicted of a felony or other crime which would disqualify a person from licensure under this section and such felony or other crime was committed during the time that the spouse held a license under this act; or

~~(K)~~ (K) who does not provide any data or information required by K.S.A. 2014 Supp. 41-311b, and amendments thereto.

(b)(1) No retailer's license shall be issued to:

(1) A person who is not a resident of this state;

~~(2) a person who has not been a resident of this state for at least four years immediately preceding the date of application;~~

~~(3)(A)~~ (A) A person who has a beneficial interest in a manufacturer, distributor, farm winery or microbrewery licensed under this act, except that the spouse of an applicant for a retailer's license may own and hold a farm winery license, microbrewery license, or both, if the spouse does not hold a retailer's license issued under this act;

~~(4) a person who has a beneficial interest in any other retail establishment licensed under this act, except that the spouse of a licensee may own and hold a retailer's license for another retail establishment;~~

(5) a copartnership, unless all of the copartners are qualified to obtain a license;

(6) a corporation; or

~~(7) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license (B) a corporation, if any officer, manager or director thereof, or any natural person owning in the aggregate more than 5% of the common or preferred stock of such corporation would be ineligible to receive a license hereunder for any reason other than citizenship and residence requirements; or~~

~~(C) a corporation, if any officer, manager or director thereof, or any natural person owning in the aggregate more than 5% of the common or preferred stock of such corporation, has been an officer, manager or director, or a natural person owning in the aggregate more than 5% of the common or preferred stock, of a corporation which:~~

~~(i) Has had a license revoked under the provisions of the Kansas liquor control act; or~~

~~(ii) has been convicted of a violation of the Kansas liquor control act.~~

~~(2) No retailer's license shall be issued to a person who is not engaged in business as a liquor store, except that a retailer's license may be issued to such person if upon issuance of the license such person engages in business as a liquor store.~~

~~(3) No beer retailer's license shall be issued to a person who is not engaged in business as a convenience store or grocery store, except that a beer retailer's license may be issued to such person if upon issuance of the license such person engaged in business~~

as a convenience store or grocery store.

(c) No manufacturer's license shall be issued to:

(1) A corporation, if any officer or director thereof, or any stockholder owning in the aggregate more than 25% of the stock of the corporation would be ineligible to receive a manufacturer's license for any reason other than citizenship and residence requirements;

(2) a copartnership, unless all of the copartners shall have been residents of this state for at least five years immediately preceding the date of application and unless all the members of the partnership would be eligible to receive a manufacturer's license under this act;

(3) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license;

(4) an individual who is not a resident of this state;

(5) an individual who has not been a resident of this state for at least five years immediately preceding the date of application; or

(6) a person who has a beneficial interest in a distributor, retailer, farm winery or microbrewery licensed under this act, except as provided in K.S.A. 41-305, and amendments thereto.

(d) No distributor's license shall be issued to:

(1) A corporation, if any officer, director or stockholder of the corporation would be ineligible to receive a distributor's license for any reason. It shall be unlawful for any stockholder of a corporation licensed as a distributor to transfer any stock in the corporation to any person who would be ineligible to receive a distributor's license for any reason, and any such transfer shall be null and void, except that: (A) If any stockholder owning stock in the corporation dies and an heir or devisee to whom stock of the corporation descends by descent and distribution or by will is ineligible to receive a distributor's license, the legal representatives of the deceased stockholder's estate and the ineligible heir or devisee shall have 14 months from the date of the death of the stockholder within which to sell the stock to a person eligible to receive a distributor's license, any such sale by a legal representative to be made in accordance with the provisions of the probate code; or (B) if the stock in any such corporation is the subject of any trust and any trustee or beneficiary of the trust who is 21 years of age or older is ineligible to receive a distributor's license, the trustee, within 14 months after the effective date of the trust, shall sell the stock to a person eligible to receive a distributor's license and hold and disburse the proceeds in accordance with the terms of the trust. If any legal representatives, heirs, devisees or trustees fail, refuse or neglect to sell any stock as required by this subsection, the stock shall revert to and become the property of the corporation, and the corporation shall pay to the legal representatives, heirs, devisees or trustees the book value of the stock. During the period of 14 months prescribed by this subsection, the corporation shall not be denied a distributor's license or have its distributor's license revoked if the corporation meets all of the other requirements necessary to have a distributor's license;

(2) a copartnership, unless all of the copartners are eligible to receive a distributor's license;

(3) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall

not apply in determining whether a beneficiary would be eligible for a license; or

(4) a person who has a beneficial interest in a manufacturer, retailer, farm winery or microbrewery licensed under this act.

(e) No nonbeverage user's license shall be issued to a corporation, if any officer, manager or director of the corporation or any stockholder owning in the aggregate more than 25% of the stock of the corporation would be ineligible to receive a nonbeverage user's license for any reason other than citizenship and residence requirements.

(f) No microbrewery license, microdistillery license or farm winery license shall be issued to a:

(1) Person who is not a resident of this state;

(2) person who has not been a resident of this state for at least one year immediately preceding the date of application;

(3) person who has a beneficial interest in a manufacturer or distributor licensed under this act, except as provided in K.S.A. 41-305, and amendments thereto;

(4) person, copartnership or association which has a beneficial interest in any retailer licensed under this act or under K.S.A. 41-2702, and amendments thereto, except that the spouse of an applicant for a microbrewery or farm winery license may own and hold a retailer's license if the spouse does not hold a microbrewery or farm winery license issued under this act;

(5) copartnership, unless all of the copartners are qualified to obtain a license;

(6) corporation, unless stockholders owning in the aggregate 50% or more of the stock of the corporation would be eligible to receive such license and all other stockholders would be eligible to receive such license except for reason of citizenship or residency; or

(7) a trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of subsection (a)(6) shall not apply in determining whether a beneficiary would be eligible for a license.

(g) The provisions of subsections ~~(b)(1), (b)(2)~~; (c)(3), (c)(4), (d)(3), (f)(1), (f)(2) and K.S.A. 2014 Supp. 41-311b, and amendments thereto, shall not apply in determining eligibility for the 10th, or a subsequent, consecutive renewal of a license if the applicant has appointed a citizen of the United States who is a resident of Kansas as the applicant's agent and filed with the director a duly authenticated copy of a duly executed power of attorney, authorizing the agent to accept service of process from the director and the courts of this state and to exercise full authority, control and responsibility for the conduct of all business and transactions within the state relative to alcoholic liquor and the business licensed. The agent must be satisfactory to and approved by the director, except that the director shall not approve as an agent any person who:

(1) Has been convicted of a felony under the laws of this state, any other state or the United States;

(2) has had a license issued under the alcoholic liquor ~~or cereal malt beverage~~ laws of this or any other state revoked for cause, except that a person may be appointed as an agent if the person's license was revoked for the conviction of a misdemeanor and 10 years have lapsed since the date of the revocation;

(3) has been convicted of being the keeper or is keeping any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older or has forfeited bond to appear in court to answer charges of

being a keeper of any property, whether real or personal, where sexual relations are being sold or offered for sale by a person who is 18 years of age or older;

(4) has been convicted of being a proprietor of a gambling house, pandering or any other crime opposed to decency and morality or has forfeited bond to appear in court to answer charges for any of those crimes; or

(5) is less than 21 years of age.

Sec. 21. From and after July 1, 2016, K.S.A. 2014 Supp. 41-313 is hereby amended to read as follows: 41-313. (a) No corporation, either organized under the laws of this state, any other state or a foreign country, shall be issued a ~~retailer's, beer retailer's,~~ manufacturer's, distributor's, microbrewery, microdistillery or farm winery license unless the corporation has first ~~procured a certificate of authority from~~ filed a formation document with the secretary of state to do business in this state as provided by law, appointed a citizen of the United States, and resident of Kansas, as its ~~resident agent and filed with the director a duly authenticated copy of a duly executed power of attorney,~~ authorizing the agent to accept service of process from the director and the courts of this state and to exercise full authority of the corporation and full authority, control and responsibility for the conduct of all business and transactions of the corporation within the state relative to alcoholic liquor and the business licensed. ~~The agent must be satisfactory to and approved by the director with respect to the agent's character.~~ The agent shall at all times be maintained by the corporation.

~~In addition, any corporation organized under the laws of any other state or foreign country, as a condition precedent to the issuance to it of any license, shall file with the secretary of state of the state of Kansas, a duly authorized and executed power of attorney, authorizing the secretary of state to accept service of process from the director and the courts of this state and to accept service of any notice or order provided for in this act, and all such acts by the secretary of state shall be fully binding upon the corporation.~~

(b) Every nonresident applicant on applying for a license or permit under this act, and as a condition precedent to obtaining such license or permit, shall file with the secretary of state of this state its written consent, irrevocable, that any action or garnishment proceeding may be commenced against such applicant in the proper court of any county in this state in which the cause of action shall arise or in which the plaintiff may reside by the service of process on the resident agent specified in subsection (a), and stipulating and agreeing that such service shall be taken and held in all courts to be as valid and binding as if due service had been made upon the applicant. The written consent shall state that the courts of this state have jurisdiction over the person of such applicant and are the proper and convenient forum for such action and shall waive the right to request a change of jurisdiction or venue to a court outside this state and that all actions arising under this act and commenced by the applicant shall be brought in this state's courts as the proper and convenient forum. Such consent shall be executed by the applicant and if a corporation, by the president and secretary of the corporate applicant, and shall be accompanied by a duly certified copy of the order or resolution of the board of directors, trustees or managers authorizing the president and secretary to execute the same.

Sec. 22. From and after July 1, 2016, K.S.A. 2014 Supp. 41-317 is hereby amended to read as follows: 41-317. (a) Applications for all licenses under this act shall be completed and submitted to the director in a manner prescribed by the director. Each

applicant shall submit an application fee of \$50 for each initial application and \$10 for each renewal application to defray the cost of processing the application.

(b) Each applicant shall submit to the division of alcoholic beverage control the full amount of the application fee and:

(1) The full amount of the license fee required to be paid for the kind of license specified in the application; or

(2) one-half of the full amount of the license fee required to be paid for the kind of license specified in the application.

(c) If the applicant elects to pay only one-half of the license fee pursuant to subsection (b)(2), the remaining one-half of the license fee plus 10% of such remaining balance shall be due and payable one year from the date of issuance of the license. Notwithstanding any other provision of law, failure to pay the full amount due under this paragraph on the date it is due shall result in the automatic cancellation of such license for the remainder of the license term. The director may, at the director's sole discretion and after examination of the circumstances, extend the date payment is due pursuant to this paragraph for not more than 30 days beyond the date such payment is originally due.

(d) Any license fee paid by an applicant shall be returned to the applicant if the application is denied.

(e) Payment of all fees required to be paid pursuant to this section may be made by personal, certified or cashier's check, United States post office money order, debit or credit card or cash, or by electronic payment authorized by the applicant in a manner prescribed by the director.

(f) All fees received by the director pursuant to this section shall be remitted by the director to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(g) Every applicant for a manufacturer's, distributor's, nonbeverage user's, microbrewery, microdistillery, farm winery, retailer's or special order shipping license shall file with the application a joint and several bond on a form prescribed by the director and executed by good and sufficient corporate sureties licensed to do business within the state of Kansas to the director, in the following amounts:

(1) For a manufacturer, \$25,000;

(2) for a spirits distributor, \$15,000 or an amount equal to the highest monthly liability of the distributor for taxes imposed by the Kansas liquor control act for any of the 12 months immediately prior to renewal of the distributor's license, whichever amount is greater;

(3) for a beer or wine distributor, \$5,000 or an amount equal to the highest monthly liability of the distributor for taxes imposed by the Kansas liquor control act for any of the 12 months immediately prior to renewal of the distributor's license, whichever amount is greater;

(4) for a retailer or beer retailer, \$2,000;

(5) for nonbeverage users, \$200 for class 1, \$500 for class 2, \$1,000 for class 3, \$5,000 for class 4 and \$10,000 for class 5;

(6) for a microbrewery, microdistillery or a farm winery, \$2,000; and

(7) for a winery holding a special order shipping license, \$750, unless the winery has already complied with subsection (g)(6).

If a distributor holds or applies for more than one distributor's license, only one bond for all such licenses shall be required, which bond shall be in an amount equal to the highest applicable bond.

(h) All bonds required by this section shall be conditioned on the licensee's compliance with the provisions of this act and payment of all taxes, fees, fines and forfeitures which may be assessed against the licensee.

Sec. 23. From and after July 1, 2016, K.S.A. 2014 Supp. 41-713 is hereby amended to read as follows: 41-713. (a) It shall be unlawful for a ~~retailer of alcoholic liquor~~ retailer's licensee:

(1) To permit any person to mix drinks in or on the licensed premises, except as provided in subsection (b);

(2) to employ any person under the age of 21 years in connection with the operation of such retail establishment; or

(3) to employ any person in connection with the operation of such retail establishment who has been adjudged guilty of a felony.

(b) The provisions of subsection (a)(1) shall not apply to the preparation or mixing of samples for the purposes of conducting wine, beer or distilled spirit tastings, or any combination thereof, as authorized by K.S.A. 2014 Supp. 41-308d, and amendments thereto.

(c) It shall be unlawful for a beer retailer's licensee:

(1) To permit any person to mix drinks in or on the licensed premises;

(2) to authorize or allow any person under the age of 18 to sell at retail beer at the point of sale; or

(3) to authorize or employ any person who has been adjudged guilty of a felony to sell at retail any beer at the point of sale.

Sec. 24. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2601 is hereby amended to read as follows: 41-2601. As used in the club and drinking establishment act:

(a) The following terms shall have the meanings provided by K.S.A. 41-102, and amendments thereto: (1) "Alcoholic liquor"; (2) "beer"; (3) "director"; ~~(3)~~ (4) "original package"; ~~(4)~~ (5) "person"; ~~(5)~~ (6) "sale"; and ~~(6)~~ (7) "to sell."

(b) "Beneficial interest" shall not include any interest a person may have as owner, operator, lessee or franchise holder of a licensed hotel or motel on the premises of which a club or drinking establishment is located.

(c) "Caterer" means an individual, partnership or corporation which sells alcoholic liquor by the individual drink, and provides services related to the serving thereof, on unlicensed premises which may be open to the public, but does not include a holder of a temporary permit, selling alcoholic liquor in accordance with the terms of such permit.

~~(d) "Cereal malt beverage" has the meaning provided by K.S.A. 41-2701, and amendments thereto.~~

~~(e)~~ (d) "Class A club" means a premises which is owned or leased by a corporation, partnership, business trust or association and which is operated thereby as a bona fide nonprofit social, fraternal or war veterans' club, as determined by the director, for the exclusive use of the corporate stockholders, partners, trust beneficiaries or associates (hereinafter referred to as members) and their families and guests accompanying them.

~~(f)~~ (e) "Class B club" means a premises operated for profit by a corporation, partnership or individual, to which members of such club may resort for the

consumption of food or alcoholic beverages and for entertainment.

~~(g)~~ (f) "Club" means a class A or class B club.

~~(h)~~ (g) "Drinking establishment" means premises which may be open to the general public, where alcoholic liquor by the individual drink is sold. Drinking establishment includes a railway car.

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

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

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

~~(l)~~ (k) "Individual drink" 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 drink" 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.

~~(m)~~ (l) "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.

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

~~(o)~~ (n) "Morals charge" means a charge involving the sale of sexual relations; procuring any person; soliciting of a child under 18 years of age for any immoral act involving sex; possession or sale of narcotics, marijuana, amphetamines or barbiturates; rape; incest; gambling; illegal cohabitation; adultery; bigamy; or a crime against nature.

~~(p)~~ (o) "Municipal corporation" means the governing body of any county or city.

~~(q)~~ (p) "Public venue" means an arena, stadium, hall or theater, used primarily for athletic or sporting events, live concerts, live theatrical productions or similar seasonal entertainment events, not operated on a daily basis, and containing:

(1) Not less than 4,000 permanent seats; and

(2) not less than two private suites, which are enclosed or semi-enclosed seating areas, having controlled access and separated from the general admission areas by a permanent barrier.

~~(r)~~ (q) "Railway car" means a locomotive drawn conveyance used for the transportation and accommodation of human passengers that is confined to a fixed rail route and which derives from sales of food for consumption on the railway car not less than 30% of its gross receipts from all sales of food and beverages in a 12-month period.

~~(s)~~ (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

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

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

(~~+~~)(t) "Sample" means a serving of alcoholic liquor which contains not more than: (1) One-half ounce of distilled spirits; (2) one ounce of wine; or (3) two ounces of beer ~~or cereal malt beverage~~. A sample of a mixed alcoholic beverage shall contain not more than one-half ounce of distilled spirits.

(~~+~~)(u) "Secretary" means the secretary of revenue.

(v) "Tavern" means premises which may be open to the general public, where only beer by the individual drink is sold.

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

Sec. 25. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2608 is hereby amended to read as follows: 41-2608. (a) Any public venue, tavern, club or drinking establishment license issued pursuant to this act shall be for one particular premises which shall be stated in the application and in the license. Not more than one premises licensed under the club and drinking establishment act shall exist at a single legal address.

(b) No license shall be issued for a public venue, tavern, club or drinking establishment unless the city, township or county zoning code allows a public venue, tavern, club or drinking establishment at that location.

Sec. 26. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2612 is hereby amended to read as follows: 41-2612. Every holder of a license for a tavern, club or drinking establishment shall cause such license to be framed and hung in plain view in a conspicuous place on the licensed premises. In the case of a railway car, the license shall be posted at its main office which shall be stated in the application.

Sec. 27. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2613 is hereby amended to read as follows: 41-2613. The right of immediate entry to and inspection of any premises licensed as a public venue, tavern, club or drinking establishment or any premises where alcoholic liquor is sold by a holder of a temporary permit, or any premises subject to the control of any licensee or temporary permit holder, by any duly authorized officer or agent of the director, or by any law enforcement officer, shall be a condition on which every license or temporary permit is issued, and the application for, and acceptance of, any license or temporary permit shall conclusively be deemed to be the consent of the applicant and licensee or permit holder to such immediate entry and inspection. Such right of immediate entry and inspection shall be at any time when the premises are occupied and is not limited to hours when the tavern, club or drinking establishment is open for business. Such consent shall not be revocable during the term of the license or temporary permit. Refusal of such entry shall be grounds for revocation of the license or temporary permit.

Sec. 28. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2614 is hereby amended to read as follows: 41-2614. (a) Except as provided by subsection (c), no

public venue, tavern, club or drinking establishment shall allow the serving, mixing or consumption of alcoholic liquor on its premises between the hours of 2:00 a.m. and 9:00 a.m. on any day.

(b) No caterer shall allow the serving, mixing or consumption of alcoholic liquor between the hours of 2:00 a.m. and 6:00 a.m. on any day at an event catered by such caterer.

(c) A hotel of which the entire premises are licensed as a drinking establishment or as a drinking establishment/caterer may allow at any time the serving, mixing and consumption of alcoholic liquor ~~and cereal-malt beverage~~ from a minibar in a guest room by guests registered to stay in such room, and guests of guests registered to stay in such room.

Sec. 29. From and after July 1, 2016, K.S.A. 41-2620 is hereby amended to read as follows: 41-2620. (a) No person shall maintain or operate any tavern, club or drinking establishment in this state without having in such person's possession for the location of the establishment a valid unexpired and unrevoked license issued by the director for such tavern, club or drinking establishment.

(b) No person shall act as a caterer in this state without having in such person's possession a valid unexpired and unrevoked caterer's license issued by the director.

(c) No person or organization shall sponsor, conduct or hold an event in this state which requires a temporary permit unless such person or organization has in such person's or organization's possession a temporary permit issued by the director for such event and such event is conducted in accordance with the terms of such permit.

Sec. 30. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2622 is hereby amended to read as follows: 41-2622. (a) At the time application is made to the director for a license pursuant to the club and drinking establishment act, the applicant shall pay the following license fee in the manner provided by K.S.A. 41-2606, and amendments thereto:

(1) For a class A club which is a bona fide nonprofit fraternal or war veterans' club, as defined by rules and regulations of the secretary, \$500;

(2) for a class A club which is a bona fide nonprofit social club, as defined by rules and regulations of the secretary, and which has not more than 500 members, \$1,000;

(3) for a class A club which is a bona fide nonprofit social club, as defined by rules and regulations of the secretary, and which has more than 500 members, \$2,000;

(4) for a class B club, \$2,000;

(5) for a caterer, \$1,000;

(6) for a drinking establishment, \$2,000;

(7) for a hotel of which the entire premises are licensed as a drinking establishment, \$6,000;

(8) for a drinking establishment/caterer, \$3,000;

(9) for a drinking establishment/caterer, if the drinking establishment is a hotel of which the entire premises are licensed as a drinking establishment, \$7,000;

(10) for a public venue with a maximum capacity of not more than 10,000 persons, \$5,000;

(11) for a public venue with a maximum capacity of not more than 25,000 persons, \$7,500; ~~and~~

(12) for a public venue with a maximum capacity exceeding 25,000 persons, \$10,000; ~~and~~

(13) for a tavern, \$500.

(b) In addition to the fee provided by subsection (a), any city where the licensed premises of a tavern, club or drinking establishment are located or, if such licensed premises are not located in a city, the board of county commissioners of the county where the licensed premises are located may levy and collect a biennial occupation or license tax from the licensee in an amount equal to not less than \$200 nor more than \$500.

(c) In addition to the fee provided by subsection (a), any city where the licensed premises of a public venue is located or, if such licensed premises is not located in a city, the board of county commissioners of the county where the licensed premises is located may levy and collect a biennial occupation or license tax from the licensee in an amount not more than \$1,000.

(d) No occupational or excise tax or license fee other than that authorized by subsection (b) or (c) shall be levied by any city or county against or collected from a licensed public venue, tavern, club or drinking establishment.

(e) The director shall remit all moneys received under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury. Of each such deposit, 50% shall be credited to the state general fund, and the remaining 50% shall be credited to the other state fees fund of the Kansas department for aging and disability services. In addition to other purposes for which expenditures may be made from the other state fees fund of the Kansas department for aging and disability services, expenditures may be made by the secretary for aging and disability services for the purpose of implementing the powers and duties of the secretary under the provisions of K.S.A. 65-4006 and 65-4007, and amendments thereto.

Sec. 31. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2623 is hereby amended to read as follows: 41-2623. (a) No license shall be issued under the provisions of this act to:

(1) Any person described in ~~subsection (a)(1), (2), (4), (5), (6), (7), (8), (9), (12) or (13)~~ of K.S.A. 41-311(a)(1), (2), (4), (5), (6), (7), (8), (9), (11) or (12), and amendments thereto, except that the provisions of subsection (a)(7) of such section shall not apply to nor prohibit the issuance of a license for a class A club to an officer of a post home of a congressionally chartered service or fraternal organization, or a benevolent association or society thereof.

(2) A person who has had the person's license revoked for cause under the provisions of this act.

(3) A person who has not been a resident of this state for a period of at least one year immediately preceding the date of application.

(4) A person who has a beneficial interest in the manufacture, preparation or wholesaling or the retail sale of alcoholic liquors or a beneficial interest in any other club, drinking establishment or caterer licensed hereunder, except that:

(A) A license for premises located in a hotel may be granted to a person who has a beneficial interest in one or more other clubs or drinking establishments licensed hereunder if such other clubs or establishments are located in hotels.

(B) A license for a tavern, club or drinking establishment which is a restaurant may be issued to a person who has a beneficial interest in other taverns, clubs or drinking

establishments which are restaurants.

(C) A caterer's license may be issued to a person who has a beneficial interest in a club or drinking establishment and a license for a club or drinking establishment may be issued to a person who has a beneficial interest in a caterer.

(D) A license for a class A club may be granted to an organization of which an officer, director or board member is a distributor or retailer licensed under the liquor control act if such distributor or retailer sells no alcoholic liquor to such club.

(E) Any person who has a beneficial interest in a microbrewery, microdistillery or farm winery licensed pursuant to the Kansas liquor control act may be issued any or all of the following: (1) Class B club license; (2) drinking establishment license; (3) tavern license; and ~~(3)~~ (4) caterer's license.

(5) A copartnership, unless all of the copartners are qualified to obtain a license.

(6) A corporation, if any officer, manager or director thereof, or any stockholder owning in the aggregate more than 5% of the common or preferred stock of such corporation would be ineligible to receive a license hereunder for any reason other than citizenship and residence requirements.

(7) A corporation, if any officer, manager or director thereof, or any stockholder owning in the aggregate more than 5% of the common or preferred stock of such corporation, has been an officer, manager or director, or a stockholder owning in the aggregate more than 5% of the common or preferred stock, of a corporation which:

(A) Has had a license revoked under the provisions of the club and drinking establishment act; or

(B) has been convicted of a violation of the club and drinking establishment act ~~or the cereal malt beverage laws of this state.~~

(8) A corporation organized under the laws of any state other than this state.

(9) A trust, if any grantor, beneficiary or trustee would be ineligible to receive a license under this act for any reason, except that the provisions of ~~subsection (a)(6) of~~ K.S.A. 41-311~~(a)(6)~~, and amendments thereto, shall not apply in determining whether a beneficiary would be eligible for a license.

(b) No club or drinking establishment license shall be issued under the provisions of the club and drinking establishment act to:

(1) A person who does not own the premises for which a license is sought, or does not, at the time the application is submitted, have a written lease thereon, except that an applicant seeking a license for a premises which is owned by a city or county, or is a stadium, arena, convention center, theater, museum, amphitheater or other similar premises may submit an executed agreement to provide alcoholic beverage services at the premises listed in the application in lieu of a lease.

(2) A person who is not a resident of the county in which the premises sought to be licensed are located.

Sec. 32. From and after July 1, 2016, K.S.A. 41-2625 is hereby amended to read as follows: 41-2625. (a) No corporation shall be issued a license as a tavern, club, drinking establishment or caterer unless such corporation first appoints a citizen of the United States, and resident of Kansas, as its agent and files with the director a duly authenticated copy of a duly executed power of attorney authorizing such agent to: (1) Accept service of process from the director and the courts of this state; and (2) exercise full authority of such corporation and full authority, control and responsibility for the conduct of all business and transactions of the corporation within the state relative to

the business licensed. Such agent must have the qualifications of a licensee except for the qualification of residence. Such agent shall at all times be maintained by such corporation.

(b) No corporation shall be issued a license as a tavern club, drinking establishment or caterer unless such corporation first files with the director a copy of its articles of incorporation and its bylaws.

(c) No partnership shall be issued a license as a tavern club, drinking establishment or caterer unless such partnership first files with the director a copy of the partnership agreement.

Sec. 33. From and after July 1, 2016, K.S.A. 2014 Supp. 41-2640 is hereby amended to read as follows: 41-2640. (a) No tavern club, drinking establishment, caterer or holder of a temporary permit, nor any person acting as an employee or agent thereof, shall:

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

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

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

(4) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor ~~or cereal malt beverage~~ or the awarding of individual drinks as prizes; or

(5) advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under subsections (a)(1) through (4).

(b) No public venue, nor any person acting as an employee or agent thereof, shall:

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

(2) offer or serve to any person a drink or original container of alcoholic liquor ~~or cereal malt beverage~~ at a price that is less than the acquisition cost of the drink or original container of alcoholic liquor ~~or cereal malt beverage~~ to the licensee;

(3) sell or serve alcoholic liquor in glass containers to customers in the general admission area;

(4) sell or serve more than two drinks per customer at any one time in the general admission area;

(5) encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor ~~or cereal malt beverage~~ or the awarding of drinks as prizes; or

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

(c) A public venue club, drinking establishment, caterer or holder of a temporary permit may:

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

(2) sell or deliver wine by the bottle or carafe;

(3) sell, offer to sell and serve individual drinks at different prices throughout any day;

(4) sell or serve beer ~~or cereal malt beverage~~ in a pitcher capable of containing not

more than 64 fluid ounces;

(5) offer samples of alcohol liquor free of charge as authorized by this act; or
 (6) sell or serve margarita, sangria, daiquiri, mojito or other mixed alcoholic beverages as approved by the director in a pitcher containing not more than 64 fluid ounces.

(d) A tavern may:

(1) Offer free food or entertainment at any time:
(2) sell, offer to sell and serve individual drinks at different prices throughout any day:

(3) sell or serve beer in a pitcher capable of containing not more than 64 fluid ounces; or

(4) offer samples of beer free of charge as authorized by this act.

~~(d)~~ (e) A hotel of which the entire premises is licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, distribute to its guests coupons redeemable on the hotel premises for drinks containing alcoholic liquor. The hotel shall remit liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto, on each drink served based on a price which is not less than the acquisition cost of the drink.

~~(e)~~ (f) A hotel of which the entire premises is not licensed as a drinking establishment may, in accordance with rules and regulations adopted by the secretary, through an agreement with one or more clubs or drinking establishments, distribute to its guests coupons redeemable at such clubs or drinking establishments for drinks containing alcoholic liquor. Each club or drinking establishment redeeming coupons issued by a hotel shall collect from the hotel the agreed price, which shall be not less than the acquisition cost of the drink plus the liquor drink tax for each drink served. The club or drinking establishment shall collect and remit the liquor drink tax in accordance with the provisions of the liquor drink tax act, K.S.A. 79-41a01 et seq., and amendments thereto.

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

~~(g)~~ (h) Violation of any provision of this section shall be grounds for 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.

Sec. 34. From and after July 1, 2016, K.S.A. 2014 Supp. 79-4108 is hereby amended to read as follows: 79-4108. All revenue collected or received by the director of taxation from taxes imposed by K.S.A. 79-4101 to 79-4105, and amendments thereto, shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Except as otherwise provided in section 10, and amendments thereto, upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund. The state treasurer shall transfer any moneys remaining in the county and city alcoholic liquor control enforcement fund on the effective date of this act to the state general fund.";

Also on page 13, following line 37, by inserting:

"Sec. 36. From and after July 1, 2016, K.S.A. 41-103, 41-711, 41-2620, 41-2625, 41-2705, 41-2709, 41-2711, 41-2712, 41-2725, 41-2726 and 41-2727 and K.S.A. 2014

Supp. 41-102, 41-301, 41-303, 41-304, 41-308, 41-310, 41-311, 41-313, 41-317, 41-713, 41-2601, 41-2608, 41-2612, 41-2613, 41-2614, 41-2622, 41-2623, 41-2640, 41-2701, 41-2702, 41-2703, 41-2704, 41-2708, 41-2722, 41-2728, 41-2729, 41-2906 and 79-4108 are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, by striking all in lines 4 and 5; in line 6, by striking all before the period and inserting: "K.S.A. 41-2620, 41-2625 and 41-2643 and K.S.A. 2014 Supp. 41-102, 41-301, 41-303, 41-304, 41-308, 41-310, 41-311, 41-313, 41-317, 41-350, 41-351, 41-710, 41-713, 41-719, 41-2601, 41-2608, 41-2612, 41-2613, 41-2614, 41-2622, 41-2623, 41-2640, 41-2645 and 79-4108 and repealing the existing sections; also repealing K.S.A. 41-103, 41-711, 41-2705, 41-2709, 41-2711, 41-2712, 41-2725, 41-2726 and 41-2727 and K.S.A. 2014 Supp. 41-2701, 41-2702, 41-2703, 41-2704, 41-2708, 41-2722, 41-2728, 41-2729 and 41-2906"

Upon the showing of five hands a roll call vote was requested.

On roll call, the vote was: Yeas 11; Nays 26; Present and Passing 1; Absent or Not Voting 2.

Yeas: Bruce, Denning, Fitzgerald, LaTurner, Longbine, Lynn, Melcher, Pilcher-Cook, Powell, Wilborn, Wolf.

Nays: Abrams, Arpke, Baumgardner, Bowers, Donovan, Faust-Goudeau, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, Love, Masterson, McGinn, Olson, Ostmeyer, Petersen, Pettey, Pyle, Schmidt, Smith, Tyson, Wagle.

Present and Passing: O'Donnell.

Absent or Not Voting: Haley, Hawk.

President Wagle assumed the chair.

FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS

On motion of Senate Bruce, an emergency was declared by a 2/3 Constitutional majority, and **SB 48**; **S Sub HB 2074**; **HB 2223**, **HB 2331** and **HB 2352** were advanced to Final Action and roll call.

SB 48, AN ACT concerning property taxation; relating to exemptions; qualifying pipeline property; sunset of exemption for future taxpayers and retention of exemptions for existing taxpayers; amending K.S.A. 2014 Supp. 79-227 and repealing the existing section.

On roll call, the vote was: Yeas 23; Nays 14; Present and Passing 1; Absent or Not Voting 2.

Yeas: Abrams, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, LaTurner, McGinn, Melcher, O'Donnell, Pettey, Pilcher-Cook, Schmidt, Wagle, Wolf.

Nays: Arpke, Baumgardner, Knox, Longbine, Love, Masterson, Olson, Ostmeyer, Petersen, Powell, Pyle, Smith, Tyson, Wilborn.

Present and Passing: Lynn.

Absent or Not Voting: Haley, Hawk.

The bill passed.

S Sub HB 2074, AN ACT concerning gaming; relating to debt setoff from gaming winnings; amending K.S.A. 74-8836 and K.S.A. 2014 Supp. 74-8744, 74-8746, 74-8747, 74-8751, 74-8814 and 75-6204 and repealing the existing sections.

On roll call, the vote was: Yeas 24; Nays 12; Present and Passing 2; Absent or Not Voting 2.

Yeas: Abrams, Baumgardner, Bowers, Bruce, Denning, Faust-Goudeau, Fitzgerald, Hensley, Holland, Holmes, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Powell, Wilborn.

Nays: Francisco, Kelly, Masterson, Petersen, Pettey, Pilcher-Cook, Pyle, Schmidt, Smith, Tyson, Wagle, Wolf.

Present and Passing: Arpke, Donovan.

Absent or Not Voting: Haley, Hawk.

The substitute bill passed, as amended.

EXPLANATION OF VOTE

Madam President: I change my "Pass" to "Yes" on **S Sub HB 2074** because I hope that one day in this chamber, we will consider the same fairness for the Greyhound Park as we have for other similar parks in our state.—OLETHA FAUST-GOUDEAU

Madam President: This legislation ignores the interest of Wyandotte County and the State of Kansas. This legislation requires no minimum amount of financial investment for the Woodlands to open their doors to gambling nor does it require competitive bidding for the right to place slot machines in this facility. There is no requirement to negotiate with the Unified Government and substantially reduces revenues to the state. Expanding the Lottery Act jeopardizes the state contract with Hollywood Casino and could very likely result in litigation. I vote "No" on **S Sub HB 2074**.—PAT PETTEY

HB 2223, AN ACT concerning the dispensing of alcoholic beverages; amending K.S.A. 41-106, 41-321, 41-709, 41-2609 and 41-2633a and K.S.A. 2014 Supp. 41-102, 41-306, 41-306a, 41-307, 41-311, 41-319, 41-320, 41-326, 41-328, 41-719, 41-2611, 41-2623 and 41-2640 and repealing the existing sections; also repealing K.S.A. 41-314.

On roll call, the vote was: Yeas 37; Nays 1; Present and Passing 0; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Schmidt, Smith, Wagle, Wilborn, Wolf.

Nays: Tyson.

Absent or Not Voting: Haley, Hawk.

The bill passed, as amended.

HB 2331, AN ACT concerning alcoholic beverages; amending K.S.A. 41-2643 and K.S.A. 2014 Supp. {41-104, 41-350, 41-351, {41-710,} 41-719, 41-2640 {and 41-2645} and repealing the existing sections.

On roll call, the vote was: Yeas 31; Nays 5; Present and Passing 2; Absent or Not Voting 2.

Yeas: Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holmes, Kelly, Kerschen, King, LaTurner, Longbine,

Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Smith, Wagle, Wilborn, Wolf.

Nays: Abrams, Knox, Pyle, Schmidt, Tyson.

Present and Passing: Holland, Love.

Absent or Not Voting: Haley, Hawk.

The bill passed, as amended.

HB 2352, AN ACT concerning insurance; relating to coverage for autism spectrum disorder; amending K.S.A. 2014 Supp. 40-2,194 and repealing the existing section.

On roll call, the vote was: Yeas 38; Nays 0; Present and Passing 0; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Schmidt, Smith, Tyson, Wagle, Wilborn, Wolf.

Absent or Not Voting: Haley, Hawk.

The bill passed, as amended.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 91** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 91, as follows:

On page 2, in line 26, by striking "to meet the new" and inserting "or committed to be incurred as a result of compliance with the"; in line 28, by striking "as in effect on December 31, 2015" and inserting "prior to its repeal"; in line 31, after the period by inserting "The commission shall allow affected utilities to recover reasonable costs incurred as a result of meeting the voluntary 20% goal in K.S.A. 2014 Supp. 66-1256, and amendments thereto.";

On page 6, by striking all in lines 26 and 27; in line 28, by striking the first "or"; in line 32, after "for" by inserting "such"; in line 33, by striking all before "when";

On page 7, following line 4, by inserting:

"Sec. 5. K.S.A. 2014 Supp. 79-223 is hereby amended to read as follows: 79-223.

(a) It is the purpose of this section to promote, stimulate, foster and encourage new investments in commercial and industrial machinery and equipment in the state of Kansas, to contribute to the economic recovery of the state, to enhance business opportunities in the state, to encourage the location of new businesses and industries in the state as well as the retention and expansion of existing businesses and industries and to promote the economic stability of the state by maintaining and providing employment opportunities, thereby contributing to the general welfare of the citizens of the state, by exempting from property taxation all newly purchased or leased commercial and industrial machinery and equipment, including machinery and equipment transferred into this state for the purpose of expanding an existing business or for the creation of a new business.

(b) The following described property, to the extent specified by this section, shall

be and is hereby exempt from all property or ad valorem taxes levied under the laws of the state of Kansas:

First. Commercial and industrial machinery and equipment acquired by qualified purchase or lease made or entered into after June 30, 2006, as the result of a bona fide transaction not consummated for the purpose of avoiding taxation.

Second. Commercial and industrial machinery and equipment transported into this state after June 30, 2006, for the purpose of expanding an existing business or creation of a new business.

(c) Any purchase, lease or transportation of commercial and industrial machinery and equipment consummated for the purpose of avoiding taxation shall subject the property to the penalty provisions of K.S.A. 79-1422 and 79-1427a, and amendments thereto. The county appraiser shall not reclassify any property that is properly classified for property tax purposes within subclass (5) of class 2 of section 1 of article 11 of the constitution of the state of Kansas.

(d) As used in this section:

(1) "Acquired" shall not include the transfer of property pursuant to an exchange for stock securities, or the transfer of assets from one going concern to another due to a merger, reorganization or other consolidation;

(2) "commercial and industrial machinery and equipment" means property classified for property tax purposes within subclass (5) of class 2 of section 1 of article 11 of the constitution of the state of Kansas, but shall not include any electric generation facility or addition to an electric generation facility that is used predominately to produce and generate electricity utilizing renewable energy resources or technologies as defined in K.S.A. 79-201, and amendments thereto;

(3) "qualified lease" means a lease of commercial and industrial machinery and equipment for not less than 30 days for fair and valuable consideration where such machinery and equipment is physically transferred to the lessee to be used in the lessee's business or trade; and

(4) "qualified purchase" means a purchase of commercial and industrial machinery and equipment for fair and valuable consideration where such machinery and equipment is physically transferred to the purchaser to be used in the purchaser's business or trade.

(e) The secretary of revenue is hereby authorized to adopt rules and regulations to administer the provisions of this section.";

On page 8, in line 1, after "electricity" by inserting "at wholesale only, has no retail customers and is"; in line 5, by striking all after "thereto"; in line 6, by striking all before the period; in line 14, after "79-201" by inserting ", 79-223";

And by renumbering sections accordingly;

On page 1, in the title, in line 6, after "79-201" by inserting ", 79-223";

And your committee on conference recommends the adoption of this report.

DENNIS HEDKE

KEN CORBET

Conferees on part of House

ROB OLSON

MIKE PETERSEN

Conferees on part of Senate

Senator Olson moved the Senate adopt the Conference Committee Report on **H Sub SB 91**.

On roll call, the vote was: Yeas 35; Nays 3; Present and Passing 0; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Schmidt, Smith, Tyson, Wagle, Wilborn, Wolf.

Nays: Francisco, Hensley, Holland.

Absent or Not Voting: Haley, Hawk.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2095** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed as Amended by Senate Committee of the Whole, as follows:

On page 4, in line 15, after the comma by inserting "or \$25,000 or more in any one calendar year between July 1, 2016, and July 1, 2021,";

On page 6, in line 18, after the period by inserting "The provisions of this subsection shall apply to members of the legislature.";

On page 8, in line 33, by striking "the effective date of this act" and inserting "May 28, 2009";

On page 9, in line 41, by striking "(5)" and inserting "(7)"; in line 42, after "thereto" by inserting ", which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in a position as described herein";

On page 11, in line 11, after the period by inserting "Such retirant may be employed by such employer for some or all of a school year, and in subsequent school years if the employer is unable to permanently fill the position with active members, so long as the retirant's total term of employment with all employers under this subsection does not exceed 36 months or three school years, whichever is less."; in line 12, by striking "(5)" and inserting "(7)"; also in line 12, after "thereto" by inserting ", which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in a position as described herein"; following line 43, by inserting:

"New Sec. 4. (a) The provisions of sections 4 through 11, and amendments thereto, shall be known and may be cited as the Kansas deferred retirement option program act, and shall be effective on and after January 1, 2016.

(b) The provisions of this act shall be part of and supplemental to the provisions of K.S.A. 74-4901 et seq., and amendments thereto, subject to the limitations contained in this act.

New Sec. 5. (a) As used in this act, unless otherwise provided or the context otherwise requires:

- (1) "Act" means the Kansas deferred retirement option program act;
- (2) "board" means the board of trustees of the Kansas public employees retirement

system;

(3) "DROP" means the deferred retirement option program established by section 6, and amendments thereto;

(4) "DROP account" means the notional account to which is credited the monthly DROP accrual;

(5) "DROP period" means the period of time that a member irrevocably elects to participate in the DROP pursuant to section 7, and amendments thereto;

(6) "member" means a trooper, examiner or officer of the Kansas highway patrol who is eligible to participate in the DROP and who elects to participate in the DROP as provided in this act;

(7) "monthly DROP accrual" means the amount equal to the monthly retirement benefit that would have been payable to the member had the member terminated service and retired on the day the member elected; and

(8) "system" means the Kansas police and firemen's retirement system.

(b) Unless specifically provided in this section or in this act, words and phrases used in this act shall have the meanings ascribed to them as provided under the provisions of K.S.A. 74-4901 et seq. and K.S.A. 74-4951 et seq., and amendments thereto.

New Sec. 6. (a) The board shall establish within the Kansas police and firemen's retirement system a deferred retirement option program for members. The board shall administer the DROP in compliance with the federal internal revenue code and applicable treasury regulations, including, but not limited to, the incidental benefit and required minimum distribution requirements of section 401(a)(9) of the federal internal revenue code.

(b) The board shall establish a DROP account for each member. Each DROP account shall be credited annually with interest as provided in this subsection. Interest may only be credited in a year in which the actual rate of return on the market value on the investments of the DROP reach the system's assumed investment rate of return. Such interest credit may not exceed 50% of the actual rate of return, and such interest credit shall not exceed 3%.

New Sec. 7. (a) (1) A member who is appointed or employed prior to July 1, 1989, and who did not make an election pursuant to K.S.A. 74-4955a, and amendments thereto, may elect to participate in the DROP by making application in such form prescribed by the system at the attainment of age 55 and the completion of 20 years of credited service or at the completion of 32 years of credited service regardless of the age of such member.

(2) A member who is appointed or employed on or after July 1, 1989, or who made an election pursuant to K.S.A. 74-4955a, and amendments thereto, may elect to participate in the DROP by making application in such form prescribed by the system at the attainment of age 55 and the completion of 20 years of credited service, age 50 and the completion of 25 years of credited service or age 60 with the completion of 15 years of credited service.

(b) A member shall indicate on the application the DROP period such member wishes to participate in the DROP. A member may elect to participate in the DROP for a minimum of three years and may not participate for more than five years from the effective date of the election to participate in the DROP. A member may participate in the DROP only once. An election under this section is a one-time irrevocable election.

Once the application is accepted by the system, such member becomes a DROP participant. If a member fails to participate in the DROP for a minimum of three years, all of the member's interest credits shall be forfeited, unless such member retires due to disability as defined in K.S.A. 74-4952, and amendments thereto. A member who remains in active service at the expiration of the member's elected DROP period shall not be eligible for any additional interest credits.

(c) A member who makes an election under this section shall continue in the active service under the Kansas police and firemen's retirement system but shall not earn service credit under K.S.A. 74-4951 et seq., and amendments thereto, after the election's effective date. On and after the effective date of the member's election to participate, such member is ineligible to purchase service credit under K.S.A. 74-4901 et seq., and amendments thereto.

(d) Participation in the DROP by a member does not guarantee continued employment. During a member's participation in the DROP, employer contributions under K.S.A. 74-4967, and amendments thereto, and member contributions under K.S.A. 74-4965, and amendments thereto, shall be made to the retirement system. No member or employer contributions shall be applied to a member's DROP account.

New Sec. 8. (a) For each DROP member, the board shall calculate a monthly DROP accrual. The system shall determine the DROP member's retirement benefit under K.S.A. 74-4958 or 74-4958a, and amendments thereto. In determining the retirement benefit, the system shall use the member's total service credit and final average salary as of the last day of the employer's payroll period immediately prior to the effective date of the member's election to participate in the DROP. Before entering the DROP, a member may elect to have such member's retirement benefit determined under one of the options provided in K.S.A. 74-4964 or 74-4964a, and amendments thereto, in lieu of having it determined in the form stated in K.S.A. 74-4958 or 74-4958a, and amendments thereto, except such member may not elect the lump sum payment option. During the DROP period, an amount equal to the monthly DROP accrual shall be credited to the member's DROP account. The calculation of the monthly DROP accrual will be calculated using the member's age and, if the member elected a joint and survivor option, the age of the beneficiary as of the calendar year which contains the beginning of the DROP period. The monthly DROP accrual shall comply with the requirements of section 401(a)(9) of the federal internal revenue code and treasury regulation § 1.401(a)9-6, Q&A-2(c).

(b) A member shall not receive a monthly retirement benefit, as calculated pursuant to K.S.A. 74-4958 or 74-4958a, and amendments thereto, until termination of such member's DROP participation and commencement of retirement. A DROP member shall not have any claim to any funds in such member's DROP account until such member retires at the termination of such member's DROP participation. Upon terminating DROP participation, a member is entitled to such member's retirement benefit, including any postretirement benefit adjustment for which the member is eligible.

New Sec. 9. (a) A member's participation in the DROP ceases on the occurrence of the earliest of the following:

- (1) Termination of the member's active service with the Kansas highway patrol;
- (2) the last day of the member's elected DROP period that begins on the effective date of the member's election to participate in the DROP;

(3) retirement due to disability as defined in K.S.A. 74-4952, and amendments thereto; or

(4) the member's death.

(b) If a member dies before taking a distribution from such member's DROP account, the member's designated beneficiary shall receive a lump-sum payment equal to the member's DROP account balance. If the DROP member has not named a beneficiary for such member's DROP account, the amount in the DROP account shall be paid to the beneficiary of the member's retirement benefit.

New Sec. 10. (a) A member, who satisfies the requirements of this act, shall be entitled to a distribution of such member's DROP account. Such distribution may be through any combination of the following payout options, each of which is subject to the applicable provisions of the federal internal revenue code and the applicable regulations of the internal revenue service:

(1) A direct rollover to an eligible retirement plan; or

(2) a lump-sum distribution.

(b) The board may specify minimum account balances for purposes of allowing benefit payment options and rollovers in accordance with federal law.

New Sec. 11. The provisions of sections 4 through 11, and amendments thereto, shall expire on January 1, 2020.";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "system" by inserting "and systems thereunder"; in line 4, after the semicolon by inserting "enacting the Kansas deferred retirement option program act; providing terms, conditions, requirements, benefits and contributions related thereto; relating to member election; Kansas highway patrol affiliation; interest credits; account distribution,";

And your committee on conference recommends the adoption of this report.

JEFF KING

JEFF LONGBINE

LAURA KELLY

Conferees on part of Senate

STEVEN JOHNSON

KENT THOMPSON

ED TRIMMER

Conferees on part of House

Senator King moved the Senate adopt the Conference Committee Report on **S Sub HB 2095**.

On roll call, the vote was: Yeas 38; Nays 0; Present and Passing 0; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Schmidt, Smith, Tyson, Wagle, Wilborn, Wolf.

Absent or Not Voting: Haley, Hawk.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2170** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed as Senate Substitute for Substitute for House Bill No. 2170, as follows:

On page 2, in line 6, after the period by inserting "Violent"; in line 11, by striking all after "(b)"; by striking all in lines 12 through 17; in line 18, by striking all before the period and inserting "A student shall not be subjected to seclusion if the student is known to have a medical condition that could put the student in mental or physical danger as a result of seclusion. The existence of such medical condition must be indicated in a written statement from the student's licensed health care provider, a copy of which shall be provided to the school and placed in the student's file";

On page 3, in line 2, after the period by inserting "Upon the first occurrence of an incident involving the use of emergency safety interventions,"; in line 3, by striking the first "may" and inserting "shall"; also in line 3, by striking "or may" and inserting ", and upon the occurrence of a second or subsequent incident shall"; in line 4, after "a" by inserting "full"; in line 6, after the comma by inserting "rules and regulations adopted pursuant thereto or policies of the school district,"; in line 20, after "(2)" by inserting "the number of incidents in which emergency safety interventions were used on students who have a section 504 plan;

(3)";

Also on page 3, in line 22, after "program" by inserting "or a section 504 plan"; following line 24, by inserting:

"(5) the total number of students with behavior intervention plans subjected to an emergency safety intervention;

(6) the number of students physically restrained;

(7) the number of students placed in seclusion;"

Also on page 3, in line 28, by striking "and"; following line 28, by inserting:

"(10) the information reported under subsection (c)(1) through (c)(3) reported by school to the extent possible;

(11) the information reported under subsections (c)(1) through (c)(9) aggregated by age and ethnicity of the students on a statewide basis; and";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 4, in line 21, by striking "January" and inserting "March"; in line 22, after the period by inserting "Such rules and regulations shall include, but not be limited to, the standards for the use and reporting of emergency safety interventions as provided in sections 2 through 5, and amendments thereto."; in line 24, by striking "15" and inserting "17"; following line 38, by inserting:

"(7) two members shall be appointed by the executive director of the Kansas council on developmental disabilities, one of which shall be a parent of a child with a disability;"

Also on page 4, in line 41, by striking "Kansas medical society" and inserting "center for child health and development of the university of Kansas medical center"; in line 42, after "Kansas" by inserting "who is a practicing physician with experience treating and

diagnosing individuals with disabilities, but who is not a staff member of the center for child health and development of the university of Kansas medical center";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 5, in line 21, by striking "2017" and inserting "2018"; in line 23, by striking "statute book" and inserting "Kansas register";

And your committee on conference recommends the adoption of this report.

STEVE ABRAMS
TOM ARPKE
ANTHONY HENSLEY
Conferees on part of Senate

CONNIE O'BRIEN
JOHN RUBIN
PONKA WE-VICTORS
Conferees on part of House

Senator Abrams moved the Senate adopt the Conference Committee Report on **S Sub HB 2170**.

On roll call, the vote was: Yeas 36; Nays 2; Present and Passing 0; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Francisco, Hensley, Holland, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Pyle, Schmidt, Smith, Wilborn, Wolf.

Nays: Tyson, Wagle.

Absent or Not Voting: Haley, Hawk.

The Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2395** submits the following report:

The Senate recedes from all of its amendments to the bill.

And your committee on conference recommends the adoption of this report.

TY MASTERSON
JIM DENNING
LAURA KELLY
Conferees on part of Senate

MARK HUTTON
LES MASON
STAN FROWNFELTER
Conferees on part of House

Senator Masterson moved the Senate adopt the Conference Committee Report on **HB 2395**.

On roll call, the vote was: Yeas 35; Nays 1; Present and Passing 2; Absent or Not Voting 2.

Yeas: Abrams, Arpke, Baumgardner, Bowers, Bruce, Denning, Donovan, Faust-Goudeau, Fitzgerald, Hensley, Holmes, Kelly, Kerschen, King, Knox, LaTurner, Longbine, Love, Lynn, Masterson, McGinn, Melcher, O'Donnell, Olson, Ostmeyer, Petersen, Pettey, Pilcher-Cook, Powell, Schmidt, Smith, Tyson, Wagle, Wilborn, Wolf.

Nays: Pyle.

Present and Passing: Francisco, Holland.

Absent or Not Voting: Haley, Hawk.

The Conference Committee Report was adopted.

REPORTS OF STANDING COMMITTEES

Committee on **Federal and State Affairs** recommends **Sub HB 2224** be passed.

CHANGE OF REFERENCE

The President withdrew **S Sub Sub HB 2228** from the Calendar under the heading of **General Orders**, and rereferred the bill to the Committee on **Federal and State Affairs**.

REPORT ON ENROLLED BILLS

SR 1744, SR 1745, SR 1746, SR 1747, SR 1748 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on May 14, 2015.

On motion of Senator Bruce, the Senate adjourned until 8:00 a.m., Friday, May 15, 2015.

ROSE MARIE GLATT, CHARLENE BAILEY, CINDY SHEPARD, *Journal Clerks*.
COREY CARNAHAN, *Secretary of the Senate*.

