

**HOUSE BILL No. 2475**

By Committee on Federal and State Affairs

1-17

1 AN ACT concerning alcoholic beverages; relating to microbreweries;  
2 authorizing the on-premises sale of certain large containers of beer for  
3 off-premises consumption, labeling requirements thereof; amending  
4 K.S.A. 2017 Supp. 41-308b and repealing the existing section.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2017 Supp. 41-308b is hereby amended to read as  
8 follows: 41-308b. (a) A microbrewery license shall allow:

9 (1) The manufacture of not less than 100 nor more than 60,000  
10 barrels of domestic beer during the calendar year and the storage thereof,  
11 if, however, the licensee holds a 10% or greater ownership interest in one  
12 or more entities that also hold a microbrewery license, then the aggregate  
13 number of barrels of domestic beer manufactured by all such licensees  
14 with such common ownership shall not exceed the 60,000 barrel limit;

15 (2) the manufacture in the aggregate of not more than 100,000 gallons  
16 of hard cider during the calendar year and the storage thereof;

17 (3) the sale to beer distributors of beer and the sale to wine  
18 distributors of hard cider, manufactured by the licensee;

19 (4) the sale, on the licensed premises in the original unopened  
20 container to consumers for consumption off the licensed premises, of beer  
21 and hard cider manufactured by the licensee;

22 (5) *the sale, on the licensed premises in refillable and sealable*  
23 *containers to consumers for consumption off the licensed premises, of beer*  
24 *manufactured by the licensee, subject to the following conditions:*

25 (A) *Containers described in this paragraph shall contain not less*  
26 *than 32 fluid ounces and not more than 64 fluid ounces of beer; and*

27 (B) *the licensee shall affix a label to all containers sold pursuant to*  
28 *this paragraph clearly indicating the licensee's name and the name and*  
29 *type of beer contained in such container;*

30 (6) the serving free of charge on the licensed premises and at special  
31 events, monitored and regulated by the division of alcoholic beverage  
32 control, of samples of beer and hard cider manufactured by the licensee, if  
33 the premises are located in a county where the sale of alcoholic liquor is  
34 permitted by law in licensed drinking establishments;

35 ~~(7)~~ (7) if the premises is also licensed as a club or drinking  
36 establishment, the sale and transfer of domestic beer to such club or

1 drinking establishment and the sale of domestic beer and other alcoholic  
2 liquor for consumption on the licensed premises as authorized by the club  
3 and drinking establishment act;

4 ~~(7)~~ (8) if the premises is also licensed as a caterer, the sale of  
5 domestic beer and other alcoholic liquor for consumption on unlicensed  
6 premises as authorized by the club and drinking establishment act; and

7 (8) (9) if the licensee holds a 10% or greater ownership interest in one  
8 or more entities that also hold a microbrewery license, the domestic beer  
9 may be manufactured and transferred for sale or storage among such  
10 microbrewery licensees with such common ownership.

11 (b) Not less than 30% of the products utilized in the manufacture of  
12 hard cider by a microbrewery shall be grown in Kansas except when a  
13 lesser proportion is authorized by the director based upon the director's  
14 findings and judgment. The production requirement of this subsection shall  
15 be determined based on the annual production of domestic hard cider.

16 (c) Upon application and payment of the fee prescribed by K.S.A. 41-  
17 310, and amendments thereto, by a microbrewery licensee, the director  
18 may issue not to exceed one microbrewery packaging and warehousing  
19 facility license to the microbrewery licensee. A microbrewery packaging  
20 and warehousing facility license shall allow:

21 (1) The transfer, from the licensed premises of the microbrewery to  
22 the licensed premises of the microbrewery packaging and warehousing  
23 facility, of beer and hard cider manufactured by the licensee, for the  
24 purpose of packaging or storage, or both;

25 (2) the transfer, from the licensed premises of the microbrewery  
26 packaging and warehousing facility to the licensed premises of any  
27 microbrewery of such licensee, of beer manufactured by the licensee;

28 (3) the removal from the licensed premises of the microbrewery  
29 packaging and warehousing facility of beer manufactured by the licensee  
30 for the purpose of delivery to a licensed beer wholesaler; and

31 (4) the removal from the licensed premises of the microbrewery  
32 packaging and warehousing facility of hard cider manufactured by the  
33 licensee for the purpose of delivery to a licensed wine distributor.

34 (d) A microbrewery may sell domestic beer in the original unopened  
35 container to consumers for consumption off the licensed premises at any  
36 time between 6 a.m. and 12 midnight on any day except Sunday and  
37 between 11 a.m. and 7 p.m. on Sunday. If authorized by subsection (a), a  
38 microbrewery may serve samples of domestic beer and serve and sell  
39 domestic beer and other alcoholic liquor for consumption on the licensed  
40 premises at any time when a club or drinking establishment is authorized  
41 to serve and sell alcoholic liquor.

42 (e) The director may issue to the Kansas state fair or any bona fide  
43 group of brewers a permit to import into this state small quantities of beer.

1 Such beer shall be used only for bona fide educational and scientific  
2 tasting programs and shall not be resold. Such beer shall not be subject to  
3 the tax imposed by K.S.A. 41-501, and amendments thereto. The permit  
4 shall identify specifically the brand and type of beer to be imported, the  
5 quantity to be imported, the tasting programs for which the beer is to be  
6 used and the times and locations of such programs. The secretary shall  
7 adopt rules and regulations governing the importation of beer pursuant to  
8 this subsection and the conduct of tasting programs for which such beer is  
9 imported.

10 (f) A microbrewery license or microbrewery packaging and  
11 warehousing facility license shall apply only to the premises described in  
12 the application and in the license issued and only one location shall be  
13 described in the license.

14 (g) No microbrewery shall:

15 (1) Employ any person under the age of 18 years in connection with  
16 the manufacture, sale or serving of any alcoholic liquor;

17 (2) permit any employee of the licensee who is under the age of 21  
18 years to work on the licensed premises at any time when not under the on-  
19 premises supervision of either the licensee or an employee of the licensee  
20 who is 21 years of age or over;

21 (3) employ any person under 21 years of age in connection with  
22 mixing or dispensing alcoholic liquor; or

23 (4) employ any person in connection with the manufacture or sale of  
24 alcoholic liquor if the person has been convicted of a felony.

25 (h) Whenever a microbrewery licensee is convicted of a violation of  
26 the Kansas liquor control act, the director may revoke the licensee's license  
27 and all fees paid for the license in accordance with the Kansas  
28 administrative procedure act.

29 Sec. 2. K.S.A. 2017 Supp. 41-308b is hereby repealed.

30 Sec. 3. This act shall take effect and be in force from and after its  
31 publication in the statute book.