

HOUSE BILL No. 2206

By Committee on Taxation

2-4

1 AN ACT concerning alcoholic beverages; relating to retailer's licenses;  
2 amending K.S.A. 41-713 and K.S.A. 2012 Supp. 41-102, 41-301, 41-  
3 303, 41-308, 41-311, 41-313, 41-326 and 79-4108 and repealing the  
4 existing sections; also repealing K.S.A. 41-103 and 41-711.  
5

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

7 New Section 1. From July 1, 2013, to June 30, 2015, the total number  
8 of retailer's licenses issued by the director to sell alcoholic liquor shall not  
9 exceed the number of such valid licenses issued as of June 30, 2013. The  
10 director may only issue a retailer's license to sell alcoholic liquor to a  
11 qualified applicant if the issuance of such license would not cause the total  
12 number of such valid licenses issued to exceed the number of such valid  
13 licenses issued as of June 30, 2013.

14 New Sec. 2. (a) On and after January 1, 2014, any licensee holding a  
15 valid retailer's license may transfer such license to any person qualified to  
16 hold such license under the Kansas liquor control act. The transferee's  
17 proposed premises to be licensed shall be located in the same county as the  
18 licensed premises of the transferor.

19 (b) Any transfer of a license pursuant to this section shall be  
20 approved by the director. The director may require the transferor, the  
21 transferee, or both, to submit such information as the director deems  
22 necessary in order to determine that the license transfer satisfies the  
23 requirements of the Kansas liquor control act. Such information shall be  
24 submitted in the manner and on such forms as prescribed by the director,  
25 and may include, but shall not be limited to, such information concerning  
26 the transferee that shows such transferee is qualified to hold a retailer's  
27 license and a copy of the agreement to transfer the license.

28 (c) On the effective date of the transfer of a license in accordance  
29 with this section, the director shall issue a retailer's license to the  
30 transferee. Such license shall be issued for the premises of the transferee as  
31 stated in the transfer agreement. The term of such license shall be for the  
32 remainder of the term of the license held by the transferor immediately  
33 prior to the effective date of the transfer. The director shall not require the  
34 payment of any new or additional retailer's license fee by the transferee.  
35 The transferee shall pay a transfer fee in the amount of \$25, which fee  
36 shall be submitted to the director at the same time the request for approval

Ballroom Amendments for HB 2206 #2  
Prepared by: Ken Wilke  
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Office of Revisor of Statutes

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1 application and is prevented from operating under such license in  
2 accordance with the provisions of this act for the entire second year of the  
3 license term, a refund shall be made of one-half of the license fee paid by  
4 such licensee. The secretary of revenue may adopt rules and regulations  
5 pursuant to K.S.A. 41-210, and amendments thereto, which provide for the  
6 authorization of refunds of one-half of the license fee paid when the  
7 licensee does not use such license for the entire second year of the license  
8 term as a result of the cancellation of the license upon the request of the  
9 licensee for voluntary reasons.

10 Sec. 14. K.S.A. 41-713 is hereby amended to read as follows: 41-713.  
11 It shall be unlawful for a retailer of alcoholic liquor: (1) To permit any  
12 person to mix drinks in or on the licensed premises; (2) to employ any  
13 person under the age of twenty-one (21) years in connection with the  
14 operation of such retail establishment to authorize or allow any person  
15 under the age of 18 years to sell at retail any alcoholic liquor at the point  
16 of sale; or (3) to employ any person in connection with the operation of  
17 such retail establishment to authorize or allow any person who has been  
18 adjudged guilty of a felony to sell at retail any alcoholic liquor at the  
19 point of sale.

20 Sec. 15. K.S.A. 2012 Supp. 79-4108 is hereby amended to read as  
21 follows: 79-4108. All revenue collected or received by the director of (a)  
22 taxation from taxes imposed by K.S.A. 79-4101 to 79-4105, and  
23 amendments thereto, shall be remitted to the state treasurer in accordance  
24 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
25 receipt of each such remittance, the state treasurer shall deposit the entire  
26 amount in the state treasury to the credit of the state general fund, except  
27 that 3% of the revenue remitted to the state treasurer during the prior  
28 calendar year quarter and deposited in the state treasury shall be credited  
29 to the local cereal malt beverage sales tax fund, which is hereby created in  
30 the state treasury. Moneys credited to the local cereal malt beverage sales  
31 tax fund shall be distributed quarterly as part of the January, April, July  
32 and October sales tax distribution to each city and county which levied a  
33 local retailers' sales tax. The amount to be distributed to each city and  
34 county shall be determined by the department of revenue based on a  
35 weighted population average. The weighted population average shall be  
36 computed by multiplying the total tax rate in effect for the city or county  
37 by the population of such city or county. The weighted population average  
38 for each city and county shall then be divided by the total Kansas  
39 population. The resulting quotient is the percentage of distribution for  
40 such city or county. The population data shall be updated annually with  
41 the issuance of the certified population data through the division of the  
42 budget. The state treasurer shall transfer any moneys remaining in the  
43 county and city alcoholic liquor control enforcement fund on the effective

1 date of this act to the state general fund.  
2 Sec. 16. K.S.A. 41-103, 41-711 and 41-713 and K.S.A. 2012 Supp.  
3 41-102, 41-301, 41-303, 41-308, 41-311, 41-313, 41-326 and 79-4108 are  
4 hereby repealed.  
5 Sec. 17. This act shall take effect and be in force from and after its  
6 publication in the statute book.

(b) Moneys credited to the local cereal malt beverage sales tax fund shall be distributed to cities and counties in accordance with the requirements of subsection (a) and shall not be used for any other governmental purposes. It is the intent of the legislature that the local cereal malt beverage sales tax fund shall remain intact and inviolate for the purpose set forth in subsection (a), and moneys in the local cereal malt beverage sales tax fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.