AN ACT concerning alcoholic beverages; authorizing self-service of beer
from automated devices; relating to the hours of sale of alcoholic liquor
by the drink; amending K.S.A. 2017 Supp. 41-2614 and 41-2640 and
repealing the existing sections.

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

Section 1. K.S.A. 2017 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;

(5) sell, offer to sell or serve free of charge any form of powdered
alcohol, as defined in K.S.A. 41-102, and amendments thereto; or

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

(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;
(6) sell, offer to sell or serve free of charge any form of powdered
alcohol, as defined in K.S.A. 41-102, and amendments thereto; or
(7) advertise or promote in any way, whether on or off the licensed
premises, any of the practices prohibited under subsections (b)(1) through
(6).
(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 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) (1) A public venue, club or drinking establishment may offer
customer self-service of beer and wine from automated devices on
licensed premises so long as the licensee monitors and has the ability to
control the dispensing of such beer and wine from the automated devices.
(2) The secretary may adopt rules and regulations as necessary to
implement the provisions of this subsection.
(A) For purposes of this
subsection, "automated device" shall mean any mechanized device
capable of dispensing wine or beer directly to a customer in exchange for
compensation that a licensee has received directly from the customer.
(B) No licensee shall allow an automated device to be used on its
licensed premises without first providing written or electronic notification
to the director of the licensee's intent to use the automated device. The
licensee shall provide this notification at least 48 hours before any
automated device is used on the licensed premises.
(C) Each licensee offering customer self-service of wine or beer from
any automated device shall provide constant video monitoring of the
automated device at all times during which the licensee is open to the
public. The licensee shall keep recorded footage from the video monitoring
for at least 60 days and shall provide the footage, upon request, to any
agent of the director or other authorized law enforcement agent.
(D) The compensation required by subsection (a) shall be in the form
of a programmable, prepaid access card containing a fixed amount of
monetary credit that may be directly exchanged for beer or wine dispensed
from the automated device. Access cards may be sold, used or reactivated
only during a business day. Each access card shall be purchased from the
licensee by a customer. A licensee shall not issue more than one active
access card to a customer. For purposes of this subsection, an access card
shall be deemed active if the access card contains monetary credit or has
not yet been used to dispense 15 ounces of wine or 32 ounces of beer. Each
purchase of an access card under this regulation shall be subject to the
liquor drink tax imposed by K.S.A. 79-41a02, and amendments thereto.
(E) In order to obtain a prepaid access card from a licensee, each
customer shall produce a valid driver's license, identification card or
other government-issued document that contains a photograph of the
individual and demonstrates that the individual is at least 21 years of age.
Each access card shall be programmed to require the production of the
customer's valid identification before the access card can be used for the
first time during any business day or for any subsequent reactivation as
provided in subparagraph (D).
(F) Each access card shall become inactive at the end of each
business day.
(G) Each access card shall be programmed to allow the dispensing of
no more than 15 ounces of wine or 32 ounces of beer to a customer. Once
an access card has been used to dispense 15 ounces of wine or 32 ounces
of beer to a customer, the access card shall become inactive. Any customer
in possession of an inactive access card may, upon production of the
customer's valid identification to the licensee or licensee's employee, have
the access card reactivated to allow the dispensing of an additional 15
ounces of wine or 32 ounces of beer from an automated device.
(H) Subparagraphs (D), (E), (F) or (G) shall not apply to wine or
beer that is dispensed directly to the licensee or the licensee's agent or
employee.
(3) The secretary shall adopt rules and regulations prior to January
1, 2019, as necessary to implement the provisions of this subsection.
(4) Notwithstanding any other provision of law, all laws and rules and regulations applicable to the sale of alcoholic liquor to persons under the legal age of consumption shall be applicable to the sales transaction of the prepaid access card.

(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.

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

(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.

(i) For purposes of this section, the term "day" means 6:00 a.m. until 2:00 a.m. the following calendar day.

Sec. 2. K.S.A. 2017 Supp. 41-2614 is hereby amended to read as follows: 41-2614. (a) Except as provided by subsection (c), no public venue, 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 6:00 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. 3. K.S.A. 2017 Supp. 41-2614 and 41-2640 are hereby repealed.

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