Alcohol Statute Amendments From 2018 Session

Link to the HB2470Link to the Legislative Summary of HB2470Link to the HB2502Link to the Legislative Summary of HB2502Prepared by Ed Klumpp, eklumpp@cox.net, May 21, 2018

Effective May 24, 2018 Effective July 1, 2018

Cereal Malt Beverages (HB2502, section 1) Effective July 1, 2018

This is a cleanup bill to the law passed in 2017 allowing strong beer sales by CMB licensees.

A new statute is created authorizing the ABC director to issue a citation for any violation of the Kansas cereal malt beverage act, or any rules and regulations relating to the Act regarding the sale, consumption or possession of beer containing not more than 6% alcohol by volume. The citation must be issued in compliance with KSA 41-106. Fines cannot exceed \$1,000 for each violation. [HB2502, New section 1] Effective July 1, 2018

NOTE: Only ABC may issue citations for violations of ABC regulations and the numerous alcohol acts under their authority. However, <u>KSA 41-106</u> provides the process for non-ABC law enforcement to report violations to the ABC after giving written notice at the time of the violation to the licensee or person in charge of the premises of the violation as provided in KSA 41-106 (c) and the law enforcement officer submits of report of the incident to the ABC. A form you may use for this report and other information regarding licensees is available at: <u>https://www.kdor.ks.gov/apps/LiquorLicensee/ABCLEOInfo.aspx</u>

Other sections of HB2502 relate to collection of fines imposed under the new statute.

Strong Beer Time of Sale Restrictions in Certain Cities/Townships [HB2502 section 4] Effective 7/1/18 KSA 41-2704 sub (c) is amended to allow the day and hour restrictions for strong beer sales to follow that of CMB restrictions in certain cities and townships that have opted to expand the days and hours of sale as allowed in KSA 41-2911. (Cleanup from bill last year.)

NOTE: <u>SB13</u>, passed in 2017, will allow CMB licensees to sell beer up to 6% alcohol starting April 1, 2019.

Hours of Sale for Off-Premise Consumption (HB2470 sections 3, 4, & 5) Effective May 24, 2018
Farm Winery and Winery Outlet allowable hours on Sunday to sell alcohol products allowed for each license class for off-premise consumption is changed from noon-6 pm to 6am-midnight. [KSA 41-308a sub (d)]

Microbrewery and Microdistillery allowable hours on Sunday to sell alcohol products allowed for each license class for off-premise consumption on Sunday is changed from 11 am-7 pm to 6 am-midnight. [KSA 41-308b sub (e) and KSA 41-354 sub (c)]

Hours of Sale for On-Premise Consumption (HB2470 sections 6) Effective May 24, 2018

Public Venues, Clubs, and Drinking Establishments hours when serving, mixing, or consuming alcoholic liquor on the licensed premises is prohibited is changed from 2 am-9am to 2am-6am. [KSA 41-2614 sub (a)]

Microbreweries: Refillable Containers (HB2470 section 4) Effective May 24, 2018

Microbreweries are authorized to dispense their products for off-premises consumption in refillable containers. Those containers must be no smaller than 32 fluid ounces (quart) and no larger than 64 fluid ounces (1/2 gallon). The containers must be resealable by the microbrewery

and must be labeled with the name of the contents and the name of the microbrewery. [KSA 41-308b sub (a)(5)]

Alcohol Content of Domestic Beer (HB2470, sections 1 & 2) Effective May 24, 2018

KSA 41-102 subsection (j) defining "domestic beer" (beer produced in Kansas) is amended to change the maximum alcohol content from 10% by weight to 15% by weight.

Self-Serve Beer and Wine (HB2470 section 7) Effective May 24, 2018

KSA 41-2640 is amended by adding a new subsection (e) which authorizes public venues, clubs, and drinking establishments to allow self-serve beer and/or wine. The new provisions also create the following requirements: 1) the licensee must give the ABC at least 48-hours notice they will provide self-serve beer or wine [subsection (e)(2)(B)]; 2) the devices most be included in constant video monitoring, the recordings must be retained for at least 60 days, and law enforcement shall have access to the video [subsection (e)(2)(C)]; 3) access cards for the automated device must be used to allow the self-service [subsection (e)(2)(D)]; 4) persons purchasing the access cards must show identification at time of purchase [subsection (e)(2)(E)]; 5) the access cards must become inactive at the end of the business day (2 am) they are issued [subsection (e)(2)(F)]; 6) each access card must only allow the dispensing of no more than 15 ounces of wine or 32 ounces of beer. The access card can be reactivated by again showing identification and purchasing additional dispensing with the same quantity limits. [subsection (e)(2)(G)]; 7) employees using the automated machines to serve customers are not restricted to the limits [subsection (e)(2)(G)]; and 8) all laws and regulations concerning sale of alcohol to person under the legal age of consumption apply to the self-serve process [subsection ((e)(4)].

The Department of Revenue must establish Rules and Regulations for implementation of this new law prior to January 1, 2019. [subsection (e)(3)]

Candy Containing Alcohol (HB2470, sections 1, 2, & 8) Effective May 24, 2018

Manufacturing candy containing alcohol is now controlled by Alcohol Beverage Control if the alcohol content is greater than 0.5% by volume. [KSA 41-102 sub (b) & KSA 65-664 sub (c)]

KSA 41-102 is amended by adding a definition for "alcoholic candy" as subsection (b) and amending the definition of "alcoholic liquor" in subsection (c) to include "alcoholic candy" and "consumed as a beverage" to "consumed." The result is for the ABC to now regulate retail sale of candy with an alcohol content greater than 1% by volume. [KSA 41-102 sub (b) & KSA 65-664 sub (c)]

Other Topics Not Generally Local Law Enforcement Issues But Useful to Know

KSA 41-308b is amended to allow microbreweries to contract between each other to manufacture beer or hard cider. [HB2470 section 4, subsections (a)(10) and (b)] Effective May 24, 2018

The author of this document is not an attorney and this is not legal advice. It is a summary of legislation passed in the 2018 Kansas legislative session and is based on explanations, observations, and studies of the bill and related documents.

Always follows your agency policies and utilize your agency protocol to refer to your local prosecutors and agency attorneys for legal interpretations.