

Kansas Administrative Regulations

Kansas Department of Revenue—Division of Alcoholic Beverage Control

Article 20.—Class B Clubs

14-20-19. Change of club status.

(a) If a licensee desires to change its license from a class B club to a drinking establishment, the licensee shall make application, at least 45 days prior to the desired date of the change, for the type of license sought and shall voluntarily cancel the current license upon the issuance of the new type license. The licensee shall receive a refund of the license voluntarily canceled as provided by K.A.R. 14-20-20.

(b) If an audit by the director or the secretary finds a class B club with reciprocal agreements has failed to derive at least 50% of its gross receipts from the sale of food, all that class B club's reciprocal agreements shall be canceled. The class B club licensee, upon receipt of notice of cancellation of its reciprocal agreements, shall not admit reciprocal guests to the licensed premises.

(c) If an audit by the director or the secretary finds one of the class B clubs owned by a licensee which holds multiple licenses pursuant to the provisions of K.A.R. 14-20-24, fails to derive at least 50% of its gross receipts from the sale of food, then that class B club's license shall be canceled. The licensee shall have 10 days from receipt of notice of cancellation to advise the director, in writing, of its intent to sell the class B club and the date upon which the sale will be effective. If the effective sale date is within 30 days of the delivery of the licensee's notice of intent to sell, then the licensee's license shall be canceled on the effective date of the sale. If the licensee fails to give a notice of intent to sell or the effective date is longer than 30 days from the receipt of the licensee's notice of intent to sell, the licensee's license shall be canceled 40 days from the date the licensee receives the director's notice of cancellation and the licensee shall discontinue operations under the club and drinking establishment act and surrender its license to the director.

(Authorized by K.S.A. 41-2634 as amended by L. 1987, Ch. 182, Sec. 85; implementing K.S.A. 41-2601 as amended by L. 1987, Ch. 182, Sec. 60; 41-2623 as amended by L. 1987, Ch. 182, Sec. 75; L. 1987, Ch. 182, Sec. 87; effective, T-88-22, July 1, 1987; effective May 1, 1988.)

***** Authenticated Kansas Administrative Regulation *****