Re: Intoxicating Liquors and Beverages — Cereal Malt Beverages — Corporate Requirements.

Synopsis: The manager, officers and directors of a corporation, applying for a cereal malt beverage license, would have to meet the requirement of one year residence within the state prior to being issued a license.

Dear Mr. Seaton:

You have requested this office's opinion as to whether or not a Kansas corporation, in which the manager, officers, and directors have not established the requisite residency for an individual under the cereal malt beverage act, can qualify for a cereal malt beverage license.

As you are aware K.S.A. 41-2703 sections (a), (b), (c), and (d) provide the requirements of an individual for a cereal malt beverage license, with the residency requirement being that the applicant must be a resident of the state for at least one year prior to date of application and a resident for at least six months of the county in which said place of business is to be located. The 1973 legislature removed the requirement that an applicant must also be a resident of the city in which the premises were located. The statute further provides the remaining qualifications, those being that the individual be a
person of good character and reputation, a citizen of the United States and a person who has not recently committed a felony or violated the intoxicating liquor law of any state or the United States. As you point out, section (f) of K.S.A. 41-2703 requires that no license shall be issued to "a corporation, if any manager, officer, or director thereof or any stockholder owning in the aggregate more than twenty-five percent of the stock of such corporation, would be ineligible to receive a license hereunder for any reason other than nonresidency within the city or county" (Emphasis added). From the language used, it would seem clear that the legislature intended any manager, officer, director, or stockholder having more than twenty-five percent of the stock to meet all the qualifications of an individual except the county residence requirement.

This office would therefore be in agreement with the prior opinion printed at page 415 of Vol. VI of the Opinions of the Attorney General to which you elude, that the manager, officers and directors of a corporation would have to meet the requirement of one year residence within the state prior to being issued a cereal malt beverage license.

Very truly yours,

[Signature]

CURT T. SCHNEIDER
Attorney General

CTS:WMS:eb