

MINUTES OF THE HOUSE COMMERCE, LABOR AND ECONOMIC DEVELOPMENT
COMMITTEE

The meeting was called to order by Chairperson Mark Hutton at 1:30 pm on Wednesday, February 11, 2015, 346-S of the Capitol.

All members were present

Committee staff present:

Reed Holwegner, Legislative Research Department
Linda Herrick, Kansas Legislative Committee Assistant
Chris Courtwright, Legislative Research Department
Jason Thompson, Office of Revisor of Statutes
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Representative John Rubin
David Dillon, Retired Kroger Chairman of the Board
Matt Smithhisler, Filby Liquor, Manhattan
Loren Lance, Mildred Grocery, Moran
Patrick Craven, Constituent Supporter, Topeka
Richard Liston, Constituent Supporter, Shawnee
Karen Washburn, Constituent Supporter, Lenexa
David Mitby, Constituent Supporter, Kansas City, KS
Tom Palace, Petroleum Marketers and Convenience Store Association of Kansas

Others in attendance:

[See Attached List](#)

Hearing on: (proponents) HB2200 — Alcoholic beverages; expansion of retailer's licenses and the transfer thereof.

Chairperson Hutton opened the first day of hearings on this bill for proponents to address the Committee.

Representative John Rubin in his testimony ([Attachment 1](#)) called the bill a win-win-win for advocates of small and large businesses, free markets, reduced government regulation, economic growth, and competition. He also noted that the value of retail liquor licenses will increase, and this will add convenience and lower prices to consumers.

David Dillon in his testimony ([Attachment 2](#)) indicated this law is wanted by Kansas customers, creates jobs that benefit the local economies, and that values the free market.

Testimony by Matt Smithhisler ([Attachment 3](#)) indicated the bill reflects a fair and reasonable transition for changing liquor laws while providing value to existing owners.

CONTINUATION SHEET

MINUTES of the Committee on Commerce, Labor and Economic Development at 1:30 pm on Wednesday, February 11, 2015, 346-S of the Capitol.

Proponent oral testimony was also given by Loren Lance ([Attachment 4](#)), Patrick Craven ([Attachment 5](#)), Richard Liston ([Attachment 6](#)), Karen Washburn ([Attachment 7](#)), and David Mitby ([Attachment 8](#)).

Tom Palace provided testimony ([Attachment 9](#)) noting Uncork Kansas has worked to find a bill to give value to liquor license holders and this bill is different than bills introduced in previous years.

Providing proponent written only testimony were:

Curt Wright, Taylor Oil, Wellsville ([Attachment 10](#))
Mike Moon, Moon's Hometown Market, Osawatomie ([Attachment 11](#))
Gary Krueger, Krueger BP, Overland Park ([Attachment 12](#))
Jeff Kraus, Kraus Foods, Colwich ([Attachment 13](#))
Jessica Lucas, Uncork Kansas, Topeka ([Attachment 14](#))
Bill, Kim and Ben Carrico, MaMa C's, Thayer ([Attachment 15](#))
Marty Klenda, Fast Stop, KC ([Attachment 16](#))
Mike Thornbrugh, Quik Trip, Tulsa ([Attachment 17](#))
Mike Beal, Ball's Food Stores, KC, Ks ([Attachment 18](#))
Jon Johnson, Blue Diamond Liquor, Dexter ([Attachment 19](#))
Amy Connor, Manhattan ([Attachment 20](#))
Robert Melcher, Halftime Liquor, Shawnee ([Attachment 21](#))
Bob Queen, Liberty Liquor, Hutchinson ([Attachment 22](#))
Megan Halstead, Topeka ([Attachment 23](#))
Aaron Monihen, Alta Vista Market Alta Vista ([Attachment 24](#))
Brad Berridge, Berridge IGA, Nickerson ([Attachment 25](#))
Jerrold Gooch, Leoti Foods, Leoti ([Attachment 26](#))
James Holland, Associated Wholesale Grocers, KC, KS ([Attachment 27](#))
Scott and Katrina Miller, Miller's Food Store, Sharon Springs ([Attachment 28](#))
Barry Queen, Queen's Price Choppers, Paola ([Attachment 29](#))
Kim Rounsley, Mr. K's Food Store, Plainville ([Attachment 30](#))
Gratz Peters, Pump'N Pete's, Parsons ([Attachment 31](#))
Mike O'Neal, Kansas Chamber of Commerce ([Attachment 32](#))
Jeff Glendening, Americans for Prosperity ([Attachment 33](#))

The fiscal note on this bill indicates the switch from cereal malt beverage sales to beer would decrease sales tax revenue and increase liquor enforcement tax in FY 2018. Since the bill would provide 3.0 percent of liquor enforcement remittances credited to the Local Cereal Malt Beverage Sales Tax Fund, distribution to cities and counties would increase to help recoup the loss of local sales tax. Any fiscal effect associated with this bill is not reflected in the 2016 Governor's Budget Report.

The proponent portion of the hearing was closed.

CONTINUATION SHEET

MINUTES of the Committee on Commerce, Labor and Economic Development at 1:30 pm on Wednesday, February 11, 2015, 346-S of the Capitol.

Adjournment

The meeting adjourned at 3:14 p.m.