

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairperson Steve Brunk at 9:10am on Wednesday, March 18, 2015, 346-S of the Capitol.

All members were present except:

Representative James Todd – Excused

Committee staff present:

Natalie Nelson, Legislative Research Department

Joanna Wochner, Legislative Research Department

Stephen Bainum, Kansas Legislative Committee Assistant

Jason Long, Office of Revisor of Statutes

Conferees appearing before the Committee:

Representative Scott Schwab

Jon Meyers, Youngers Concessions, LLC

R. E. "Tuck" Duncan, Kansas Wine & Beer Garden, LLC

Denny Stoecklein, Kansas State Fair

Representative J. R. Claeys

Philip Bradley, Kansas Licensed Beverage Association

Dean Reynoldson, Kansas Alcoholic Beverage Control

Others in attendance:

[See Attached List](#)

Approval of Minutes

Chairman Brunk called for Committee approval of the minutes for 02/16, 02/17, 02/18, 02/19, 02/20, 02/24 and 02/25. *Representative John Wilson. The motion carried.*

Hearing on: HB2385 — Alcoholic beverages; authorizing additional temporary permits for the Kansas state fair.

Chairman Brunk called upon the Committee to work **HB2385**. Jason Long gave a briefing on the bill and stood for questions from the Committee. [\(Attachment 1\)](#)

Written testimony as a proponent of **HB2385** was presented by:

Representative Scott Schwab who thanked the Committee for hearing this bill that he introduced. It would allow an additional permit at the State Fair to sell full strength beer. The language of the bill is a "May" and not a "Shall". Representative Schwab answered a question from the Committee.

[\(Attachment 2\)](#)

Jon Meyers said that this bill gives the Kansas State Fair the power to determine how best to allocate permits for the sale of adult beverages during the Fair. We are only licensed to offer 3.2% beer. This is a limitation for us because our customers want more choices in beer and wine. We don't have the opportunity to provide other options because this body has in place a restrictive law that unfairly limits our options in the marketplace, while affording all rights to one specific vendor. This unjust exclusivity

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exists not because the Fair has themselves chosen to grant this to them alone, but because the current law was specifically written to only allow the issuance of one temporary 10-day permit during the Fair. The Fair Board and Kansans who attend the Fair should not be limited by a law that unjustly serves the interest of one. Please vote in favor of **HB2385**. Mr. Meyers stood from questions from the Committee. ([Attachment 3](#))

Written testimony as an opponent of **HB2385** was presented by:
R. E. "Tuck" Duncan who said that the primary reason the Kansas Wine & Beer Garden exists is to promote the wine and beer industry in Kansas. The intent was to feature Kansas products. If requirements are altered there should be a transition period for us to adapt to this change. Mr. Duncan stood for questions from the Committee. ([Attachment 4](#))

Written Testimony as neutral on **HB2385** was presented by:
Denny Stoecklein said that if CMB were to no longer be available, then the locations currently limited to selling CMB would need the capability to serve the stronger beer. In addition, the Fair Board feels that it is important to maintain the current requirements that locations on the Fairgrounds and menus for those locations be subject to approval by the Fair. Mr. Stoecklein answered questions from the Committee. ([Attachment 5](#))

Chairman Brunk closed the hearing on **HB2385**.

Hearing on: HB2413 — Alcoholic beverages; creating the art studio permit.

Chairman Brunk opened the hearing on **HB2413**. Jason Long, Revisor of Statutes, gave a briefing on the bill and stood for questions from the Committee.

Written testimony as a proponent of **HB2413** was presented by:
Representative J. R. Claeys who said that the bill addresses an issue where small businesses that allow BYOB are being targeted by local law enforcement and local prosecutors due to a new interpretation of a statute by the Alcoholic Beverage Control. This bill offers one solution the Committee may seek to give ABC clarity in their interpretation of the statute. Representative Claeys stood for questions from the Committee. ([Attachment 6](#))

Written testimony in opposition to **HB2413** was presented by:
Philip Bradley who said that for many years individuals, groups and businesses have had events with BYOB without any problems or even interest by law enforcement and/or government. Just recently some local and state ABC agencies have changed their decades long policies and interpretations of the statutes and started advising some small business owners that they need a Liquor License. It seems strange that one who is not purchasing, selling, providing or even serving alcohol would need a license or even a permit from the state agency licensing Liquor. We ask the parties involved, the ABC and local law enforcement agree to not issue citations/violations as we work toward resolution. ([Attachment 7](#))

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Written testimony as neutral on **HB2413** was provided by:

Dean Reynoldson who said that K.S.A. 41-719 prohibits an unlicensed business from allowing customers to bring their own liquor and consume it on the premises. We suggested language to amend law to allow art studios to qualify for a permit to allow their customers, under carefully crafted circumstances, to bring their own liquor and consume it on the licensed premises. Mr. Reynoldson stood for questions from the Committee. ([Attachment 8](#))

Written only testimony in opposition to **HB2413** was presented by Jessie Sterling, Owner, Paint the Town. ([Attachment 9](#))

Chairman Brunk indicated that he would keep the hearing open to a later date.

The meeting was adjourned at 10:40 am.