

March 30, 2015

Senate Federal and State Affairs Committee
Topeka, KS

Re: Senate Bill #298

SUBMITTED ELECTRONICALLY

Dear Committee Members:

I am writing you in opposition to Senate Bill No. 298, and respectfully request that this bill die and not be enacted.

I have lived in this great state my entire life, growing up in Overland Park and moving to Wichita in 1988 and purchasing my first home. I am a partner in the Law Offices of Hulnick, Stang & Gering, P.A., and have continued a successful law practice since moving to Wichita. The welfare of Kansas and its residents is of the utmost importance to me and my family, and I truly believe enactment of SB 298 will greatly affect that. If passed, I anticipate an unnecessary increase in governmental expenses for regulation/enforcement, cause the closure of more than 300 small Kansas businesses, and allow minors an all but unlimited ability to peruse and discover the different types of liquor they can obtain or request others to obtain for them.

Having personally witnessed large chain stores enter the smaller Kansas markets causing the local grocery stores, owned and operated by Kansas residents, to be run out of business; I foresee the same happening to this state's retail liquor stores. These smaller businesses do not have the capital to purchase large quantities of inventory (allowing for a price reduction), and cannot lower their profit margin to compete with the large volume chain stores. Unfortunately, once the small Kansas based store is closed and the chain store controls the market, nothing prohibits the price increases which normally follow.

If I understand correctly, ABC has previously projected passage of this bill will result in approximately 2000 additional (new) retail locations from where liquor can be obtained. Aside from the expanded source from which minors can obtain their liquor, this expansion will result in increased staffing requirements in order to ensure compliance with Kansas law. This state just does not possess the necessary funds for these added expenses, especially at a time when the Secretary of Corrections has insufficient funding to provide space for inmates, treatment for substance abusers/sex offenders, or supervision of violent felons while on post release supervision; and school funding reductions due to the lack of State moneys.

My final concern deals with this state's ongoing problem with underage drinking. Currently, there exists no real valid reason for a minor to be in a liquor store, which is a benefit to controlling the sale of liquor to minors. If, however, chain grocery stores are allowed to sell liquor, minors will be readily welcomed into that store, and will have ample opportunity to browse the available liquor inventory to see what looks appealing. I have often seen, and believe

most judges will agree, that exposure to an item can lead to desire and acquisition. Currently there are enough bad influences in existence that need to be monitored for our youth. Expansion in this area not only goes against logic, but will most probably result in an increase of underage drinking, underage drinking and driving, and the added social (and governmental) expense which accompanies these problems.

In light of the foregoing, I would respectfully request that SB 298 not be enacted. Your consideration of my concerns is appreciated.

Very truly yours,

HULNICK, STANG & GERING, P.A.

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JES:slm