

Approved \_\_\_\_\_

Date

3/17/87

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS

The meeting was called to order by Senator Bill Morris at  
Vice-Chairperson

11:00 a.m./p.m. on March 9, 1987 in room 254-E of the Capitol.

All members were present except:

Senator Reilly was excused.

Committee staff present:

Mary Galligan, Legislative Research  
Mary Torrence, Assistant Revisor of Statutes  
June Windscheffel, Secretary to the Committee

Conferees appearing before the committee:

Mr. Ken Bahr, Kansas Retail Liquor Dealers Association  
Mr. Neal Whitaker, Kansas Beer Wholesalers Association  
Director John Lamb, Alcoholic Beverage Control  
The Reverend Richard Taylor, Kansans for Life at its Best  
Mrs. Frances Kastner, Kansas Food Dealers' Association.

The Minutes of March 6, 1987, were before the Committee. Senator Arasmith moved they be approved. Seconded by Senator Martin. The motion carried.

The Chairman stated the first bill for consideration by the Committee was SB 356, concerning retail sales of alcoholic beverages; hours, days, credit sales.

Mr. Ken Bahr, of the Kansas Retail Liquor Dealers Association, was the first conferee. His statement had been handed out for the Committee (Attachment #1) It includes several requests from the Association.

The next conferee was Mr. Neal Whitaker, of the Kansas Beer Wholesalers Association. His statement is part of these Minutes. (Attachment #2) Also attached is a copy of an article from the IOLA REGISTER, entitled "Why not beer?" (Attachment #3)

The Director of the Alcoholic Beverage Control, Mr. John Lamb, was the next conferee. His memorandum dated March 9, 1987 (Attachment #4) was before the Committee. The statement explains the opposition of the ABC to allow liquor retailers to sell certain items other than liquor.

The Reverend Richard Taylor, of Kansans for Life at its Best, was the next conferee. A copy of his remarks to the Committee are attached. (Attachment #5)

Mrs. Frances Kastner, representing the Kansas Food Dealers' Association, appeared as a conferee. Mrs. Kastner's statement is also part of these Minutes. (Attachment #6)

The Chairman thanked the conferees for appearing.

The Chairman directed the Committee to SB 352, qualifications for alcoholic beverage licenses, which the Committee heard on Friday. Staff has been asked to prepare the proposed amendments. Staff explained the amendments to the Committee. Senator Bond moved, seconded by Senator Arasmith, that the amendment on line 52, be adopted. The motion was adopted.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS,  
room 254-E, Statehouse, ~~at~~ 11:00 a.m./~~pm~~ on March 9, 1987

Senator Bond made the conceptual motion concerning a person who has been convicted of a felony or a person who within two years immediately preceding the date of making application has been convicted of any crime. It was seconded by Senator Arasmith. The motion carried. The Chairman asked that staff bring a balloon version of the bill to the next meeting, including all the proposed amendments concerning SB 352, by all conferees.

The meeting was adjourned at noon.

3/9/87  
Attachment #1

# KANSAS RETAIL LIQUOR DEALERS ASSOCIATION INC.

1950 W. 21st St.  
WICHITA , KS. 67203  
(316) 832 - 1155

CARL L. MITCHELL  
PRESIDENT

TRACY MOODY , 1st Vice - President  
AL FIFFE , 2nd Vice - President  
WAYNE BENNETT , Secretary - Treasurer

March 9, 1987

Mr. Chairman, members of the Committee, I am Ken Bahr representing the Kansas Retail Liquor Dealers Association. I would like to address S.B. 356 and its perceived effects on licensed retailers.

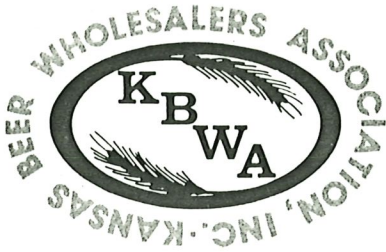
Section 1 (c) allowing licensed retailers to sell "drink mixers and other items used in mixing and serving drinks" is a Pandora's Box which the KRLDA would not like to see opened. The language and resulting items considered are extremely vague. Does this allow dairy products, glassware, produce, paper products and bar supplies. The list is endless resulting in the liquor store becoming a convenience store which also sells alcohol. The bottom line, and one that best represents responsible, accountable promotion of alcohol, is that liquor stores should sell alcohol and that grocery stores and convenience stores should sell food. The KRLDA and its members strongly oppose the confusion created by allowing drink related items in liquor stores. We do not covet the market traditionally belonging to the grocery and convenience stores nor do we wish to see wine, spirits or beer containing more than 3.2 percent of alcohol by weight sold in these stores. Let's keep the current system in place by keeping the drink-related items in the grocery and convenience stores where they belong and wine, spirits and beer in the liquor stores where they belong.

Section 2 allowing off premise sales of alcohol on election day is one that KRLDA favors as business people wishing to compete fairly with their competitors. If on-premise clubs can sell alcohol on election day, then so should liquor stores. However, if the legislature wishes to leave SB128 in place disallowing the sale of liquor for on-premise consumption during polling hours which becomes effective July 1, 1987 then the licensed retail liquor dealers would expect to be treated equally in this regard.

Section 3 (b) allowing a licensed retailer to sell at retail on credit pursuant to a credit card is one which the KRLDA recognizes as a convenience to its customers. The Liquor Review Commission has stated that they do not believe that the use of credit cards will stimulate sales. If this is correct you can understand the mixed-review that credit card sales have received from some of the KRLDA members. Add to this the added expense of paying up to 5% in service charges and one has cut even more into recently reduced profits for the retailer. But as business people, licensed retailers recognize the fact that this is a society which, for better or worse, relies on credit cards when making a majority of purchases. Therefore the use of credit cards is a business decision which the KRLDA recognizes as a customer convenience.

I would be happy to respond to any questions or concerns you may have.

Attachment #1  
FSA 3/9/87



3/9/87  
Attachment #2

TESTIMONY ON SENATE BILL 356

by

Neal Whitaker, Kansas Beer Wholesalers Association

Among other things, Senate Bill 356 would remove the prohibition of the sale of cereal malt beverage, beer, wine and spirits on the day of any city, county, state or national primary or general election.

We support the removal of the prohibition from the statutes. Today Kansas allows private clubs to be open on election days but prohibits cereal malt beverage establishments, both on and off premise, and off premise license liquor retailers from being open on election day. The logic for closing on election day has vanished in modern Kansas. In the past, many polling places were located in establishments that sold alcoholic beverages and this necessitated closing so the vote could be taken. Kansas Beer Wholesalers Association supports election day sales as a modernization of Kansas law.

SUNDAY SALES

Because Senate Bill 356 deals with other prohibitions concerning days and hours of sale we would like to join with other organizations in the room and request that the committee amend Senate Bill 356 by legalizing the sale of cereal malt beverage for on or off premise consumption from 9:00 AM to normal closing time on Sunday. Today private clubs operate on Sundays and this committee and the Liquor Law Review Commission have both endorsed a policy allowing liquor by the drink establishments to be open on Sunday, however the Liquor Law Review Commission carried that policy one step further by recommending that on premise cereal malt beverage establishments be open on Sunday. Lifestyles have changed in Kansas as evidenced by the November vote. Busy work schedules require weekly grocery shopping to be on that particular day. Statewide Kansans are involved in activities where cereal malt beverages are consumed on Sundays. Why should those people not be allowed to purchase those products on Sunday?

Nebraska, Missouri, Oklahoma and Colorado all allow the sale of cereal malt beverage on Sunday. Kansas loses a sizeable amount of tax revenue during the spring and summer months to sales across the border. While the legislature is looking at modernization of Kansas liquor laws, we request that you consider legalizing the sale of cereal malt beverage for both on and off premise consumption on Sunday. In closing I would like to refer you to an editorial published in the Iola Register which begins, "Just for intellectual exercise, sit down and write an essay titled, 'The sale of Beer Should Be Prohibited on Sunday.'"

"What did you say after you said 'because'?"

March 9, 1987  
NW/km

Attachment #2  
FSA 3/9/87

Attachment # 3  
3-9-87

# Opinion

Attachment # 3  
FSA 3/9/87

## *Why not beer?*

"Just for intellectual exercise, sit down and write an essay titled, 'The Sale of Beer Should be Prohibited on Sunday.'

"What did you say after you said 'because'?

"A couple of generations ago Kansas law prohibited the sale of anything at all on Sunday. The state should keep the Sabbath, the Legislature decided. Separation of church and state wasn't so pressing an issue at the time.

"For a while state law also closed theaters on Sunday, too. Same reason.

"Today about the only remnant of the old blue laws is the prohibition on sales of alcoholic beverages, by the drink or in containers. . . .

"If state support of Christianity isn't involved, just what is the justification for singling out one kind of business to close on Sunday? . . .

"Alcoholic beverages are legitimate items of commerce under Kansas law. So long as that is the case, those who sell them should be allowed to operate as other merchants do.

"Responsibility for misuse and abuse of alcohol . . . should rest on the only ones who can prevent that misuse and abuse: Those who drink the stuff . . ."

—Iola Register

3/9/87  
Attachment #4

MEMORANDUM

**TO:** Senator Ed Reilly  
Chairman, Federal and State Affairs Committee  
**FROM:** John Lamb  
Director, Alcoholic Beverage Control Division  
**DATE:** March 9, 1987  
**SUBJECT:** Senate Bill 356

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**SENATE BILL 356**

The ABC Division opposes the allowance of liquor retailers to sell "drink mixers and other items used in mixing and serving drinks." Allowing drink related items would entail a lengthy, ever changing, laundry list of items approved by rules and regulations. Determining what is and what is not a drink related item is not something the ABC desires to do. Some items that could conceivably be defined as drink related might be such items as fruit, salt, ice cream, milk, blenders, refrigerators and floating lounge chairs with glass holders.

Attachment #4  
FSA 3/9/87

3/9/87  
Attachment #5

Restricting credit sales of our most abused drug goes back to the original 1949 liquor control act. Why was this law put on the books?

Research has found that 75% to 90% of all alcohol sold is consumed by the alcoholic-problem drinker. That family has enough problems with a drug dependent or addicted father. Should we add to their problems with credit sales? Liquor and 3.2 beer sales on credit will not be made to alcoholic and problem drinkers if the debt can not be recovered by law.

We all know that credit will encourage the sale of any product to any person. And so the question becomes, should the Kansas legislature help retailers of the one drug that causes more human suffering than all other drugs combined.

Jan de Lint, Ph.D. and Wolfgang Schmidt, Ph.D., of the Alcoholism and Drug Addiction Research Foundation, Toronto, Canada, in their research paper CONTROL LAWS AND PRICE MANIPULATION AS PREVENTIVE STRATEGIES made this recommendation for a health-oriented policy with respect to alcohol control laws: "Essentially, this would mean that future proposals to change legislative or other provisions governing the marketing and distribution of alcoholic beverages would be tested against a health objective, namely the prevention of further increases in the prevalence of alcohol problems. The relevant question would become: Are the proposed changes likely to contribute to higher consumption levels and therefore to an increase in health costs?"

Trying to get out of debt from credit card balances is destroying many families today. Alcoholism is a big enough problem without making it a credit card problem also.

Fewer people become alcoholic when total social consumption is less. For the sake of alcoholics who do not need a serious credit-debt problem added to problems they already have and for the sake of persons who will become alcoholic if total social consumption is promoted with credit card sales, please delete the credit provisions from SB 356.

"Alcohol is a drug. It is the No. 1 drug of abuse in our society. Its only close rival is tobacco."  
JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION  
October 12, 1984 (Page 1911)

"it has been amply documented that death, sickness, social disruption, and economic loss result from excess alcohol consumption and that this is in proportion to its relative cost and availability."  
AMERICAN COLLEGE OF SURGEONS BULLETIN  
October, 1983

"Alcoholism prevalence in a population is intimately related to the overall level of alcohol consumption. It follows, therefore, that any factor that affects the volume of consumption inevitable affects the alcoholism prevalence rate and vice versa."  
- ADDICTIONS, Volume 18, Number 2  
Addiction Research Foundation of Toronto, Ontario

Kansas had 2,591 alcoholics per 100,000 population age 15 and older in 1977, while the national average was 6,919 per 100,000. (This indicates there were 4,328 Kansans per 100,000 population who would be alcoholic if the consumption rate in Kansas equaled the national average.)  
-REPORTS from Single State Alcoholism Authorities

"So promising and straightforward is the simple syllogism of reducing alcoholism by reducing total social consumption."  
AMERICAN JOURNAL OF PUBLIC HEALTH, Dec. 1975

"The quantity of alcohol consumption and the rates of problems varying with consumption can, however, be markedly reduced by substantial increases in real price and reductions in the ease of availability." (Page 64)  
ALCOHOL & PUBLIC POLICY: Beyond the Shadow of Prohibition  
National Academy Press, Washington, D. C. 1981

Attachment #5  
FSA 3/9/87

3/9/87  
Attachment #6



# Kansas Food Dealers' Association, Inc.

2809 WEST 47th STREET SHAWNEE MISSION, KANSAS 66205

PHONE: (913) 384-3838

March 9, 1987

**OFFICERS**

PRESIDENT  
LEONARD MCKENZIE  
Overland Park

VICE-PRESIDENT  
MIKE DONELAN  
Colby

TREASURER  
SKIP KLEIER  
Carbondale

CHAIRMAN OF THE BOARD  
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DELL KLEMA  
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BOB MACE  
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JOHN MCKEEVER  
Louisburg

J.R. WAYMIRE  
Leavenworth

BILL WEST  
Abilene

LEROY WHEELER  
Winfield

JOE WHITE  
Kingman

**DIRECTOR OF  
GOVERNMENTAL AFFAIRS**

FRANCES KASTNER

Sen. Federal & State Affairs

SB 356

EXECUTIVE DIRECTOR  
JIM SHEEHAN  
Shawnee Mission

I appreciate the opportunity to again express to you our SUPPORT of SB 356 dealing with retail liquor stores being able to expand their sales base. We see no problem in allowing Kansas retail liquor stores to sell "drink mixers and other items used in mixing and serving drinks".

As you have heard me say before, we believe the time has come in Kansas to allow the market place to determine where consumers purchase any product that is legal in the state.

The recommendations made by the Liquor Law Review Commission permitting the purchase of alcoholic and cereal malt beverages with a credit card is one that we also endorse.

During some of the discussion by this Senate Committee, there appeared to be support for allowing taverns to be open on Sunday afternoon or even the same hours that clubs and liquor by the drink establishments can be open under SB 141. We view those ideas as progressing in the right direction for bringing Kansas into the modern day era as it pertains to our antiquated liquor laws. It also gives those who prefer to drink beer at a tavern instead of a club or public establishment that right to choose where to spend their time and money.

By the same token, we firmly believe that any retailer who sells CMB or strong beer by the carton in unopened containers, FOR OFF-PREMISE CONSUMPTION should be permitted to sell during the same hours as any tavern, club or public drinking establishment.

Attachment #6  
FSA 3/9/87



Most of the legislation passed in recent years has been geared towards promoting a responsible attitude about consuming alcoholic beverages. We are in agreement with all the tough laws passed concerning DUI and raising the age to 21 for CMB, beer or alcoholic consumption.

As legislators you have set forth the guidelines for our citizens to follow. You are NOT trying to legislate morality or infringe upon the rights of your constituents. You have recognized that individuals need to be responsible for their own actions. They should also have the freedom of choice.

It certainly doesn't seem logical to me that you have encouraged Kansans to be responsible citizens in consuming alcoholic beverages and then pass a law which REQUIRES them to go to a tavern, club or public drinking establishment, just because it is Sunday afternoon. It would appear that there would be FEWER accidents on Sunday afternoon, which you will no doubt hear were alcohol related, if we permit the sale of CMB or beer in cartons of UNOPENED CONTAINERS FOR OFF-PREMISE CONSUMPTION.

We ask this Committee to AMEND SB 356 to include taverns AND the sale of CARTONS of UNOPENED CONTAINERS of CMB (or beer up to 5% as defined in SB 361) for purchase during the same hours and days as set for clubs and liquor by the drink establishments.

We believe this is being consistent with updating our liquor laws, and does not discriminate against the Kansan who prefers to consume his alcoholic beverages AT HOME rather than in public places.

I want to thank you for permitting me to express the views of the Kansas Food Dealers Association concerning the broad picture of the sale of alcoholic beverages in Kansas

Frances Kastner, Director  
Governmental Affairs, KFDA