

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 1:30 p.m. on February 16, 2009, in Room 143-N of the Capitol.

All members were present except:

Representative Broderick Henderson- excused
Representative Mike Peterson- excused

Committee staff present:

Mike Heim, Office of the Revisor of Statutes
Jason Long, Office of the Revisor of Statutes- excused
Julian Efird, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Nikki Feuerborn, Committee Assistant

Conferees appearing before the committee:

Tuck Duncan, Kansas Wine & Spirits Wholesale Association
Phil Bradley, Kansas Licensed Beverage Association
Tom Groneman, Director of Alcohol and Beverage Control Division, Department of Revenue

Others attending:

See attached list.

Jeff Glendening of the Kansas Chamber requested proposed legislation dealing with the Employee Free Choice Act. Representative Holmes moved for the introduction of the legislation with a second by Representative Olson. Motion carried.

Representative Grant moved for the approval of minutes from January 29, February 3, 5, 9, 10, and 11 with the exception of the spelling of Representative Benlon's name in the January 29 minutes. Motion was seconded by Representative Benlon. Motion carried.

Hearing on HB 2180 - Alcoholic beverages; wine lockers in a drinking establishment.

Revisor Mike Heim reviewed the contents of the bill which would allow a drinking establishment to store wine on its premise which was sold to a customer for future consumption. The bill would require the wine to be stored in its unopened condition and prohibit the wine being removed from the licensed premises in the unopened condition.

Tuck Duncan, representing the Kansas Wine & Spirits Wholesale Association, presented testimony in support of the bill and also requested an amendment which would require an individual locker for each customer (Attachment 1). These lockers would be secure climate-controlled wine lockers, accessible to the customer at any time they were in the restaurant.

Phil Bradley, Kansas Licensed Beverage Association, supported the bill with testimony which included a friendly amendment which would add the same ability in Class A & B licenses (Attachment 2). It would allow the same service in places like country clubs and other fraternal establishments.

Tom Groneman, Director of Alcohol and Beverage Control, spoke in support of the proposed legislation and also the proposed amendments. Both Mr. Duncan and Mr. Bradley were in agreement with the proposed amendments,

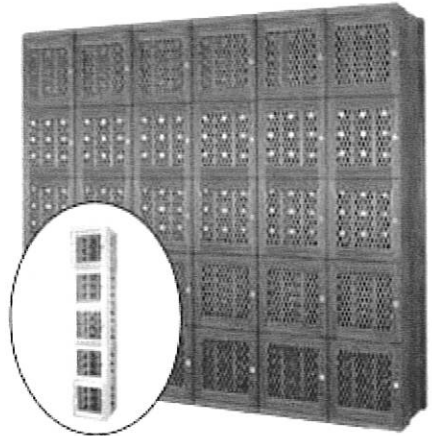
The next meeting is scheduled for February 17, 2009.

The meeting was adjourned at 2:20 p.m.

K • A • N • S • A • S
WINE & SPIRITS
WHOLESALE ASSOCIATION

To: House Federal & State Affairs Committee
From: R.E. "Tuck" Duncan
RE: HB 2180

HB 2180 would allow a drinking establishment to store on its premises wine sold to a customer for consumption at a later date on its premises in the unopened container. Such wine shall not be removed from the licensed premises in its unopened condition. This provision would allow certain Kansas restaurants to meet a newer hospitality trend. We support HB2180. Here are a few examples from around the country.



Sample of wine lockers

Thank you for your attention to and consideration of this matter.

Wine Lockers:



One of the most unique and special features of Perry's Steakhouse & Grille (Texas) is our private wine lockers, available for rent by our dining guests at all four locations. Perry's offers you the service of housing your

special wine selections purchased through our restaurants, in secure, climate-controlled wine lockers, accessible to you at anytime, whether you are dining in our restaurant, entertaining clients, hosting an event or just dropping in for a glass. Wine lockers can be rented for an annual fee.

Restaurant offers guests personal wine lockers

THE TRIBUNE-REVIEW (PA) Wednesday, November 9, 2005

In the highly competitive realm of high end restaurants, excellent food, a fine wine list and a comfortable, upscale ambiance are necessities. Yet truly successful restaurateurs understand that customer service is the key to pulling together all the elements that motivate customers to return. At Morton's, The Steakhouse, Downtown, General Manager Bill Ferron uses his personal passion and knowledge of wine as a key component of customer service. The popular personal wine locker program is an important part of Morton's wine offering. "We serve chardonnays and pinot noirs, but all in all most of our customers enjoy big California cabernets with steaks," says Ferron.

But he uses the personal wine locker program to guide and educate some his best customers to enjoy many other excellent and somewhat exotic wines by first simply having them try the wines as possible selections to keep in their personal wine lockers, where they can store wines by the bottle or the case for their own use. In recent years, for example, Ferron has encouraged customers to try classic Italian reds such as Amarone and Brunello di Montalcino that are excellent with grilled meats. He also recommends big Australian and Chilean red wines that have also improved in quality over recent years while still providing relatively good values.

Some of Morton's wine locker customers are bone fide celebrities, such as former Steelers player Andy Russell and current Penguins' owner and player Mario Lemieux. According to Ferron, it is typical for ice hockey teams to dine at Morton's when playing in Pittsburgh. Other locker holders are prominent business people and professionals. But the one common characteristic of all locker holders, he says, is an interest in trying new wines. Regular customers Vail and Bill Shipley enjoy having a wine locker because it creates a "comfort wine zone" where they know there will always be wine on hand that they will enjoy and be able to share with confidence with clients and friends.

"We tell Bill what we like and he finds wines for us," says Vail Shipley. "He certainly knows much more about wines than we do, so he turns us on to new wines. He helps us expand our knowledge."

For example, Shipley discovered and enjoyed Grant Burge Wine's "Holy Trinity" Rhône-style red blend from Australia's Barossa Valley, based on Ferron's tip. The wine is made from handpicked grenache, shiraz and mourvèdre grapes grown on non-irrigated "bush" vines, with ages ranging from 50 years to older than 110 years. The Shipleys were able to reserve bottles in their locker even after the restaurant's supply had otherwise been depleted.

With the wine locker, she continues, the Shipleys can always count on having a great stash of wines on hand. "Having a wine locker reminds us what we like," Shipley says. "It helps us remember new wines that we have tried and enjoyed."

Wine Lockers

One of the most unique and special features of Ernie's Restaurant (TX) is our private wine lockers, available for use by our dining guests.



Ernie's offers you the service of housing your special wine selections purchased through our restaurants, in secure, wine lockers, accessible to you at anytime, whether you are dining in our restaurant, entertaining clients, hosting an event or just dropping in for a glass.

House Fed & State Affairs

Date: 2-16-09

Attachment #1



*Kansas
Licensed
Beverage
Association*

Testimony on HB-2180
February 16, 2009

House Federal & State Affairs Committee

Mr. Chairman, and Members of the Committee,

I am Philip Bradley representing the Kansas Licensed Beverage Association. The KLBA represents the interests of the men and women in the hospitality industry, who own, manage and work in Kansas bars, breweries, clubs, caterers, hotels, and restaurants. These are the places you frequent and enjoy with the tens of thousands of employees that are glad to serve you. Thank you for the opportunity to speak today and I will be brief.

The KLBA supports this concept and urge you to pass this measure with an amendment.

This bill addresses a need for a service that has been lacking in our Kansas establishments. However this bill appears to only address this for the Drinking Establishment licensees.

I ask for a friendly amendment to put the same ability in class A & B licensees. It would then allow the same service in places like Country Clubs and other fraternal establishments.

Again thank you for your attention and consideration. I am available for your questions.

Philip Bradley

*Philip Bradley
CEO*

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House Fed & State Affairs

Date: 2-16-09

Attachment # 2