

House Commerce and Economic Development Committee
House Bill 2532
Retail Liquor Sales and Licenses

February 8, 2012

My name is Aaron Rosenow and I am the owner of Vern's Retail Liquor in Topeka. In reference to HB 2532, I will state the common sense facts to what you heard on February 7th from the proponents of this bill. You were told that the passing of this bill would not only create thousands of jobs but would bring in millions of tax dollars. These statements are not only made up statistics, but they are not true in any way shape or form. The passing of this HB 2532 would not only cause the destruction of small business, but cause a loss of multiple types of tax revenue.

The liquor stores that operate currently in Kansas are mostly spaces leased by the owners. When these stores are shut down because they can no longer sustain a successful business you lose not only the tax revenue from their liquor sales but also the property taxes they pay and the property taxes that the landlords pay. As far as the creation of jobs, moving someone laterally in a company to sell liquor or wine is not creating a job. The "Big Box Stores" who are the main proponents of this bill aren't going to hire thousands of people to sell something that will only take up a small percentage of their retail space and total sales. The convenience stores/ gas stations also aren't going to hire thousands to check out people who are going to exclusively by alcohol.

Another point brought up was cross border competition. The fact that people go to Missouri or other states to buy their alcohol isn't because they can buy it at gas stations or grocery stores. They go there because they are open later than in Kansas and because it is cheaper there. It is cheaper in those states because the product is taxed less throughout the chain of procurement. Stores in Missouri can sell alcohol cheaper retail than I can buy it whole sale. Therefore passing this bill won't stop people from going cross border to purchase their alcohol.

One of the main points brought up is consumer choice and competition. In Kansas, a single person cannot have more than one liquor license in their name. If this bill is passed, then every chain of gas station or grocery store will be able to hold multiple liquor licenses and it will put me and every other liquor store owner at a disadvantage when it comes to competition. This will in turn cause the closure of many small businesses and the loss of jobs.

My final request is, if you do see the need to pass this bill, then make sure it is fair for all parties involved by making all "current" liquor license requirements applicable to the new licensees. That every one of these gas stations and grocery stores not be allowed to hire anyone with a felony, DUI, or any immorality charge. Changing that part of the current law will not help Kansas but encourage the behavior that costs Kansans money in the long run.

Please contact me with any questions from the committee. Thank you fo

House Commerce & Economic Development

Date:

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