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**Testimony Re: SB 288**  
**House Federal and State Affairs Committee**  
**Presented by Ronald R. Hein**  
**on behalf of**  
**Kansas Restaurant and Hospitality Association**  
**March 6, 2012**

Mr. Chairman, Members of the Committee:

My name is Ron Hein, and I am legislative counsel for the Kansas Restaurant and Hospitality Association (KRHA). The Kansas Restaurant and Hospitality Association, founded in 1929, is the leading business association for restaurants, hotels, motels, country clubs, private clubs and allied business in Kansas. Along with the Kansas Restaurant and Hospitality Association Education Foundation, the association works to represent, educate and promote the rapidly growing industry of hospitality in Kansas.

KRHA supports SB 288 as amended by the Senate. The KRHA strongly supports the repeal of the proportional drink pricing statute, which has been a problem for the liquor industry over many years. This statutory requirement was difficult to enforce, difficult to understand from the industry standpoint, and difficult to regulate from the standpoint of the Kansas Department of Revenue's Division of Alcoholic Beverage Control (ABC).

The intricate details of trying to determine the price of the amount of mixer used in conjunction with an alcoholic drink sales, and whether that mixer was water, or a soft drink, and determining the amount of volume, and therefore the amount of cost; coupled with the complexities of determining the amount of cost that went into the preparation of the drink, all of which were necessary in order to effectively comply with the statute made this statute a nightmare for the licensees and the regulators.

Therefore, we strongly support the repeal of the proportional drink pricing statute.

We also support the Senate amendments, and specifically the inclusion of the provisions permitting "happy hour" sales.

Thank you very much for permitting me to testify, and I will be happy to yield to questions.

House Federal & State Affairs

Date: 3-06-12

Attachment # 7