

Approved: 3/26/12
Date

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Steven R. Brunk at 1:40 p.m. on March 07, 2012, in Room 346-S of the Capitol.

All members were present except:

Representative Holmes – Excused
Representative Huebert – Excused
Representative Seiwert – Excused
Representative Peterson – Excused

Committee staff present:

Mike Heim, Office of the Revisor of Statutes
Julian Efird, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Stephen Bainum, Committee Assistant

Conferees appearing before the Committee:

Representative Pat Colloton
Philip Bradley, Artisan Distillers of Kansas
Ron Hein, Kansas Restaurant and Hospitality Association
Dr. Andrew Harmon, Self
Doug Jorgensen, Director, Alcoholic Beverage Control
William W. Sneed, Kansas Unified Development

Others attending: See attached.

The Chairman opened the hearing on **SB 277–Creating the class of ‘microdistillery’ in the Kansas Control Act.**

Mike Heim said that the bill creates a new kind of license, a microdistillery license.

Representative Pat Colloton presented an amendment to change the eligibility requirement for a distributorship license to provide that one member of the copartnership would have to meet the citizenship and residence requirements (Attachment 1).

Philip Bradley presented testimony as a proponent of **SB 277** (Attachment 2). Philip said that this bill is similar to the bills creating Farm Wineries and Craft Breweries and is good for business and tourism. Representative Brunk ask what was the significance of 50,000 gallons. Philip said that it is a medium number that many states use to set them off from full blown manufacturers.

Written testimony in support of **SB 277** was presented by:

Dr. Andrew Harmon (Attachment 3),
Ron Hein, Kansas Restaurant and Hospitality Association (Attachment 4).

The Chairman closed the hearing on **SB 277** and opened the hearing on **SB 299–Alcoholic beverages;**

CONTINUATION SHEET

The minutes of the House Federal and State Affairs Committee at 1:30 p.m. on March 07, 2012, in Room 346-S of the Capitol.

creating a public venue license.

Mike Heim said that this bill creates a new kind of license called a public venue. The definition of “public venue” is found on page 10, lines 18 thru 25.

Doug Jorgensen presented testimony as a proponent of **SB 299** (Attachment 5). He said the public venue license would allow activities that are standard business practices across the country for these types of venues. They could sell and serve unlimited drinks for a fixed price in designated areas of the venue.

Representative Rubin asked if the words “not less than \$200” on page 13, lines 5-6 were correct. Doug said it was not up to them to set a limit because of the size of these venues. The \$200 is a minimum.

Representative Boman asked how page 15, lines 28-29 applied to the River Festival. Doug said that the public venue license did not apply to the River Festival.

William W. Sneed presented testimony as a proponent of **SB 299** (Attachment 6). He said the bill allows unlimited service for a fixed price in designated areas. It also allows bottled service in private suites. Finally it allows the return of unopened liquor to the retailer if the next scheduled event is more than 90 days from the current event.

Ron Hein presented testimony as a proponent of **SB 299** (Attachment 7). He said that although they support the bill they have several areas of concern. One is that the owner of the premises becomes a guarantor of no minor coming in possession of CMB or alcoholic beverages. The other is that they do not support the proposed license fees. They are too high to promote business growth.

Philip Bradley presented testimony as a proponent of **SB 299** (Attachment 8).

The Chairman closed the hearing on **SB 299**.

The next meeting is scheduled for March 08, 2012.

The meeting was adjourned at 3:09 p.m.