

Approved: 5/7/12  
Date

## MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Steven R. Brunk at 1:30 p.m. on March 29, 2012, in Room 346-S of the Capitol.

All members were present except:

Representative Carlson – 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 Bill Feuerborn  
Philip Bradley, Kansas Licensed Beverage Association  
Sarah Byrne, Alcoholic Beverage Control  
Charles M. Yunker, Adjutant, The American Legion Department of Kansas  
Sarah Green, Department of Agriculture  
Bob DesRuisseaux, Owner, Prairie Fire Winery & Vice-President Kansas Grape Growers & winemakers Association  
Patrick J. Guilfoyle, City Administrator, City of De Soto  
Pamela Rowe, Owner, Rowe Ridge Vineyard and Winery  
Dennis Reynolds, Owner, Somerset Ridge Vineyard & Winery  
Celeste Mikijanis, Owner, Wine Barn Winery & Vineyard  
Richard Shank, Rosewood Winery  
Jo Ann Kuhlmann, Owner, Eagle Creek Vineyards  
Chris Tyler, Co-Owner, Wheat State Wine Co.  
Michelle Meyer, Holy-Field Vineyard & Winery and President Kansas Viticulture & Farm Winery Association  
Gregory A. Shipe, Owner, Davenport Orchards and Vineyard and Winery  
Les Meyer, Holy-Field Vineyard & Winery  
Rich Bryan, Kansas Viticulture & Farm Winery Association  
George Hoff, President, Stone Pillar Vineyard & Winery

Others attending: See attached.

The Chairman opened the hearing on **HB 2774–Alcoholic liquor; class A private clubs; veteran's organizations.**

Mike Heim explained that the bill allows veterans events in class A clubs for fund raising.

Representative Bill Feuerborn testified as a proponent of **HB 2774** (Attachment 1). Representative Kiegerl asked if there was a danger of losing their non-profit status if they do this. Bill said that comes in with a class B license and not a class A.

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Philip Bradley presented testimony as neutral on **HB 2774** (Attachment 2). He said that they were very concerned about the definition. A fund raising event for an organization could be anything. I am concerned that you are creating more of an open liquor license.

Sarah Byrne presented testimony for Doug Jorgensen, Director, Alcoholic Beverage Control as an opponent of **HB 2774** (Attachment 3). One problem with the bill is that there are no limits on any fund raising activity.

Representative Brunk asked if they would help us rewrite the language so that it would be acceptable.

Charles M. Yunker presented testimony as an opponent of **HB 2774** (Attachment 4). He said that the bill has good intentions but it places all veteran organizations at risk of losing their non-profit status.

Representative Brunk said that this was more complicated than we thought.

The Chairman closed the hearing on **HB 2774**.

The Chairman opened the hearing on **SB 390—Allowing farm wineries to sell wine by the bottle at special events and sell wine produced by farm wineries for consumption on licensed premises.**

Sarah Byrne presented testimony for Doug Jorgensen as a proponent of **SB 390** (Attachment 5).

Sarah Green presented testimony as a proponent of **SB 390** (Attachment 6).

Bob DesRuisseaux presented testimony as a proponent of **SB 390** (Attachment 7).

Pat Guilfoyle presented testimony as a proponent of **SB 390** (Attachment 8).

Pamela Rowe presented testimony as a proponent of **SB 390** (Attachment 9).

Philip Bradley presented testimony as a proponent of **SB 390** (Attachment 10).

Dennis Reynolds presented testimony as a proponent of **SB 390** (Attachment 11).

The Chairman closed the hearing on **SB 390**.

The Chairman opened the hearing on **SB 379—Farm winery licenses; delete requirement products be grown in Kansas; other changes.**

Mike Heim explained the changes made by the bill and presented a paper by the Senior Assistant Revisor, Jason B. Long about some possible negative results of lowering the requirement of 60% Kansas grown product in the manufacture of wine (Attachment 12).

Sarah Byrne presented testimony from Doug Jorgensen as a proponent of **SB 379** (Attachment 13).

Representative Patton asked what the rationale was for the 60% requirement. Sarah said it was a push to create the wine market using grapes grown in Kansas. Representative Rubin asked what ABC's view would be on two licenses. Sarah was not sure what the result would be.

Representative Gregory asked about variances, how do you get one, how long does it last, are they linked to crop failures? Sarah said they are at the Director's discretion and they happen because of various crop failures.

Bob DesRuisseaux presented testimony as a proponent of **SB 379** (Attachment 14).

Celeste Mikijanis presented testimony as a proponent of **SB 379** (Attachment 15).

Richard Shank presented testimony as a proponent of **SB 379** (Attachment 16).

Jo Ann Kuhlmann presented testimony as a proponent of **SB 379** (Attachment 17).

Chris Tyler presented testimony as a proponent of **SB 379** (Attachment 18).

Pamela Rowe presented testimony as a proponent of **SB 379** (Attachment 19).

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Dennis Reynolds presented testimony as a proponent of **SB 379** (Attachment 20).

Representative Brunk asked if other states have the 60% rule. Only about 9 or 10 states have such percentage requirements. Representative Seiwert asked if there was any support from K State. Dennis said not at this time.

David Solo presented testimony as a proponent of **SB 379** (Attachment 21).

Philip Bradley presented testimony as an opponent of **SB 379** (Attachment 22).

Representative Rubin said he understood that the 60% requirement had nothing to do with labeling. Philip said the 60% was a Kansas requirement for a license.

Michelle Meyer presented testimony as an opponent of **SB 379** (Attachment 23).

Gregory A. Shipe presented testimony as an opponent of **SB 379** (Attachment 24).

Les Meyer presented testimony as an opponent of **SB 379** (Attachment 25).

Rich Bryan presented testimony as an opponent of **SB 379** (Attachment 26).

George Hoff presented testimony as an opponent of **SB 379** (Attachment 27).

The Chairman closed the hearing on **SB 379**.

Written testimony in support of **SB 379** was submitted by:

David Sollo, MD, Owner Grace Hill Winery, President, KGGWA (Attachment 28).

Brook Balderson, Oz Winnery (Attachment 29)

Donald & Catherine Warring, Nighthawk Vineyard and Winery, LLC, (Attachment 30).

Gilbert Hermes, Owner, Emerald Prairie Nursery (Attachment 31).

Jeff Sollo, Grace Hill Winery (Attachment 32).

Dr. John Brewer, Owner, Wyldwood Cellars Winery (Attachment 33).

Written testimony in opposition to **SB 379** was submitted by:

Josh Bryant, Davenport Orchard, Vineyard and Winery (Attachment 34).

Terry Robins (Attachment 35).

Daniel Ward, Slough Creek Vineyard (Attachment 36).

Phillip A. Vaughn, Owner, Honey Creek Vineyard (Attachment 37).

Kieth Hand, Owner, Free State Vineyards LLC (Attachment 38).

Greg & Rebecca Hunn, On the Edge Vineyards (Attachment 39).

Tony and Kay Kugler, Kugler's Vineyard (Attachment 40).

Richard W. Hird, Owner, Wild Hare Vineyard & Winery, LLC (Attachment 41).

Mandy Hampton, Holy-Field Vineyard & Winery (Attachment 42).

Sean Santoro (Attachment 43).

Richard Mason, CEO, RMason Enterprises, Inc. (Attachment 44).

Doug Frost (Attachment 45).

Justin Johnson, Golden Road Estate Vineyard (Attachment 46).

Pep Selvan-Solberg, Bluejacket Crossing Vineyard & Winery (Attachment 47).

John H. Mastio (Attachment 48).

Kerri Conan (Attachment 49).

Steven A. Berger, Proprietor, The Wine Cellar (Attachment 50).

Ross Jory (Attachment 51).

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Dr. Tom Miesse (Attachment 52).  
Dan and Amy Watowa, Cobblestone Vineyard (Attachment 53).

The Chairman closed the hearing on **SB 379**.

The Chairman called upon the committee to work **HB 2575–Kansas immigration accountability act; state agencies; state contractors**

Representative Rubin said that he was not going to amend **HB 2575**.

Representative Goico said he would be very receptive to passing **HB 2575** without amendment and withdraws his motion to amend **HB 2712** into **HB 2575**.

*Representative Goico made a motion to take **HB 2575** off the table, seconded by Representative Rubin. The motion carried.*

*Representative Rubin moved, Representative Goico seconded to move **HB 2575** out favorably for passage.*

*Representative Goico moved, Representative Rubin seconded a technical balloon to have the Secretary report back to us. The motion carried.*

*Representative Goico made a motion, seconded by Representative Rubin to pass **HB 2575** out favorably as amended. The motion carried.*

The next meeting is scheduled for April 25, 2012.

The meeting was adjourned at 5:28 p.m.