

March 12, 2012

The Honorable Steve Brunk, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2774 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2774 is respectfully submitted to your committee.

HB 2774 would allow a license for class A clubs operated by a veteran's organization to permit the licensee to sell and serve alcoholic liquor on the licensed premises to members, their families and guests, and to members of the public during fundraising events.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$4,800
FTE Pos.	--	--	--	--

The Department of Revenue indicates that HB 2774 could increase liquor excise tax receipts from the 214 class A clubs that are operated by veteran's organizations, but how many of these organizations would open their establishments to the public for fundraising events is not known, so therefore an estimate of additional revenues cannot be provided. The Department estimates that the bill would increase its fee fund expenditures in FY 2013 by \$4,800 to implement minor changes to computer processing systems. Any fiscal effect resulting from the passage of HB 2774 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue