

Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 17, 2012

The Honorable Pete Brungardt, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Brungardt:

SUBJECT: Fiscal Note for SB 390 by Senate Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning SB 390 is respectfully submitted to your committee.

SB 390 would allow farm wineries to sell wine on their premises at a special event monitored and regulated by the Division of Alcoholic Beverage Control. The bill would allow the holder of a farm winery license to sell wine it has manufactured on the premises, if located in a county where the sale of alcoholic liquor in drinking establishments is legal. It would also reduce the threshold for products made in Kansas utilized in the manufacture of domestic table and fortified wine from 60.0 percent to 10.0 percent. The bill would allow the serving of samples of wine manufactured by a licensee.

| 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 SB 390 could increase liquor tax revenues in FY 2013, but the amount would be negligible. The Department also estimates that the bill would increase fee fund expenditures by \$4,800 in FY 2013 to implement changes to the computer processing system. Any fiscal effect associated with SB 390 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