

Approved: 4-3-09
Date

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 10:30 a.m. on March 10, 2009, in Room 136-N of the Capitol.

All members were present except:

Senator Steve Morris- excused

Committee staff present:

Jason Long, Office of the Revisor of Statutes
Julian Efird, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Connie Burns, Committee Assistant

Conferees appearing before the Committee:

Thomas Groneman, Alcoholic Beverage Control
Sarah Byrne, Alcoholic Beverage Control Division
Sandy Jacquot, League of Kansas Municipalities
Bill Lietzke, Merriam Police Department
Philip Bradley, Kansas License Beverage Association
Whitney Damron, Distilled Spirits Council
Spencer Duncan, Kansas Wine & Spirits Wholesalers Association
Amy Campbell, Kansas Association of Beverage Retailers
Carole Jordan, Department of Commerce
Norman Jennings, Smoky Hill Vineyard & Winery
Dennis Reynolds, Somerset Ridge Vineyard & Winery
Dr. John Brewer, Wyldewood Cellars
Jessica Bowser, Kansas Department of Agriculture
Philip Bradley, Kansas Viticulture and Farm Winery Association

Others attending:

See attached list.

SB 247 - Authorizing requests by local governing bodies for hearings by director to revoke or suspend a club or drinking establishment license.

Chairman Brungardt opened the hearing on **SB 247**.

Staff provided an overview of the bill.

Thomas Groneman, Director, Alcoholic Beverage Control, (ABC) spoke in favor of the bill. (Attachment 1) The bill allows a city or county to request the director of ABC hold a hearing on whether any license issued pursuant to the Club and Drinking establishment act should be revoked or suspended at any time. Currently KSA 41-2651 allows a city or county to request a hearing on licensure of a club or drinking establishment at the time of the initial licensing and yearly thereafter, at renewal.

Sarah Byrne, Assistant Attorney General, Alcoholic Beverage Control Division, appeared in favor of the bill. (Attachment 2) Violence in and around bars and dance clubs is a growing problem in Kansas, as well as other states. This bill gives local governments who have made reasonable efforts to remedy a problem situation another tool to use in combating illegal and violent activities.

Sandy Jacquot, League of Kansas Municipalities, spoke in favor of the bill. (Attachment 3) The bill would allow cities and counties to request that the Director of the ABC hold a hearing on whether it should suspend or revoke the license of a club or drinking establishment.

Bill Lietzke, Chief of Police, Merriam Police Department, appeared as a proponent of the bill. (Attachment 4) The City of Merriam has five drinking establishments and four retail liquor stores under the jurisdiction of ABC, and in the last 24-month period, there have been nineteen (19) violations of selling alcohol to minors at these businesses. Merriam feels passage of this bill will aid the community by allowing us to better partnership with ABC in the enforcement of the current State Liquor Laws.

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City of Lawrence, ([Attachment 5](#)), Dale Goter, City of Wichita, ([Attachment 6](#)), Chief Ronald Miller, City of Topeka, ([Attachment 7](#)), Marcy Knight, Assistant City Attorney, City of Lenexa, ([Attachment 8](#)), Sheriff Frank Denning, Kansas Sheriff Association, ([Attachment 9](#)), Ed Klumpp, Kansas Association of Chiefs of Police and Kansas Peace Officers, ([Attachment 10](#)), provided written testimony in support of the bill.

Philip Bradley, Kansas License Beverage Association, spoke in opposition to the bill. ([Attachment 11](#)) The Association opposes the bill unless amended to include standards and steps that local government must complete or meet in order to access these statutory specified current abilities and possibly bypass the current due process.

Philip Bradley, Craft Brewers Guild of Kansas, ([Attachment 12](#)) provided written testimony in opposition to the bill.

Chairman Brungardt closed the hearing on **SB 247**.

SB 246 - Allowing the issuance of a special permit to conduct tastings of alcoholic beverages.

Chairman Brungardt opened the hearing on **SB 246**.

Staff provided an overview of the bill.

Whitney Damron, Distilled Spirits Council, spoke in support of the bill. ([Attachment 13](#)) Mr. Damron stated that product tastings are an effective means to educate a consumer and perhaps to entice them to try something new. Some kind of product tasting is permitted in most states, and the bill would clarify current law and allow for retail liquor stores to conduct tastings on a limited basis, under the auspices of the ABC. New language was provided.

Spencer Duncan, Kansas Wine & Spirits Wholesalers Association, appeared in favor of the bill. ([Attachment 14](#)) The bill would allow a licensed retail liquor dealer to apply to the Director of ABC for an annual special permit to conduct wine, beer, and distilled spirit tastings on the licensed premises.

Philip Bradley, Kansas Association of Beverage Retailers, spoke on the bill. ([Attachment 15](#)) Mr. Bradley stated that the Association supports a workable bill that would allow for state control, equal regulation on underage access, appropriate limited amounts and restricted number of samples allowed each person per day.

Amy Campbell, Kansas Association of Beverage Retailers, (KABR) appeared in opposition of the bill. ([Attachment 16](#)) Relative to the potential for new retailer obligations, KABR opposes the passage of dram shop legislation that would hold a retailer responsible in civil litigation for the actions of a consumer who purchases (or tastes) liquor at the liquor store and then proceeds to cause harm after leaving the business. The Kansas Legislature has defeated dram shop legislation in past years and would encourage the continued emphasis on personal responsibility.

Thomas Groneman, Director, Alcoholic Beverage Control, appeared as neutral on the bill. ([Attachment 17](#)) If the committee acts favorably, ABC would request that an additional restriction limiting the number of samples that can be served to any one individual be considered; and a clarification regarding where sampling can occur. Other statutes concerning sampling allow sampling only in counties that have approved liquor by the drink as the bill is not specific regarding this issue.

New language for section (g) on page 1 was presented, "The licensee shall not provide more than three tastings samples to any one person per tasting session or day."

Senator Owens moved the amendment. Senator Reitz seconded the motion. The motion carried.

Chairman Brungardt closed the hearing on **SB 246**.

SB 218 - Farm wineries; allowing farmers' market sales permits, allowing issuance of

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Chairman Brungardt opened the hearing on **SB 218**.

Staff provided an overview of the bill.

Carole Jordan, Sr. Director of Rural Development, Department of Commerce, spoke in favor of the bill. (Attachment 18) This bill would allow the sale of wine at a farmers' market and the manufacturing of wine at a winery outlet.

Norman Jennings, Smoky Hill Vineyard & Winery, appeared in favor of the bill. (Attachment 19) The bill would allow the Director of ABC to issue a permit allowing for sales by the bottle at farmers' markets; allows licensed Farm Wineries to hold a manufacture's license, allows licensed Farm Wineries to produce wines at their licensed outlets.

Dennis Reynolds, Somerset Ridge Vineyard & Winery, spoke in favor of the bill. (Attachment 20) The bill would amend the Kansas Farm Winery statues to allow three things:

1. Allow Farm Wineries to obtain permits that would allow them to sell their products at bona fide farmers' markets
2. Allow Farm Wineries to conduct wine making activities at their licensed outlet locations
3. Allow Farm Wineries to also hold a manufacturer's license pursuant KSA 41-305

Dr. John Brewer, Wyldewood Cellars, testified on the bill. (Attachment 21) Dr. Brewer fully supports the ability to sell at Farmers' Markets as described in new section one, but opposes all of the other changes proposed in the bill; and requested support for section 1 and to eliminate all of the other proposed changes in the bill.

Jessica Bowser, Kansas Department of Agriculture, spoke in favor of the bill. (Attachment 22) The department supports the bill because it will allow farm wineries to sell their products at farmers' markets, to hold manufacturers' licenses and to have production facilities at winery outlets.

Philip Bradley, Kansas Viticulture and Farm Winery Association, (KVFWA) appeared in favor of the bill. (Attachment 23) KVFWA supports the bill because it preserves the Kansas Content Rule and opens farmers' markets to farm wineries, and supports allowing farm winery licensees to hold a manufacture's license as well as their farm winery license.

Thomas Groneman, Director, Alcoholic Beverage Control, appeared neutral on the bill. (Attachment 24) The ABC would ask for clarification regarding what a bona fide farmers' market permit would allow; there has been some discussion as to wheter this means "by the drink" or "in the original unopened container for consumption off the permitted premises".

Philip Bradley, Kansas License Beverage Association, provided written testimony in support of the bill. (Attachment 25)

Chairman Brungardt closed the hearing on **SB 218**.

Final Action:

HB 2267 - Requires senate confirmation of KCVA appointees.

Staff provided information regarding the funding for KBI security background checks.

SB 54 - Brown v. Board of Education mural in the capitol.

Senator Reitz moved to pass SB 54 out favorably. Senator Francisco seconded the motion. The motion carried.

SB 75 - Municipalities; consolidation and reorganization; political and taxing subdivisions.

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Senator Abrams explained his balloon. (Attachment 26) The balloon requires all cities to be consolidated, that whenever petitions requesting a consolidation study commissioner be appointed are filed with at least 75% of the county or city governing bodies with jurisdiction in the county.

Senator Abrams moved the balloon. Senator Pyle seconded the motion. The motion carried.

Senator Abrams explained the second balloon. (Attachment 27) The balloon strikes section 8,9,11, and 12.

Senator Abrams moved the balloon. Senator Pyle seconded the motion. The motion died.

SB 224 - Emergency medical services board authorized to assess civil fines.

A balloon was provided by staff and explained by Senator Francisco. (Attachment 28) The balloon strikes the word *addition* page 1, line 13 and replaces with *lieu of*.

Senator Francisco moved the balloon. Senator Reitz seconded the motion. The motion carried.

Senator Francisco moved to pass **SB 54** out favorably as amended. Senator Reitz seconded the motion. The motion carried.

The next meeting is scheduled for March 11, 2009. The meeting was adjourned at noon