

Before Senate Federal & State Affairs Committee Testimony in support of SB 298 – County option retailers act Presented by Mike O'Neal, Kansas Chamber CEO

March 31, 2015

## Mr. Chairman and members of the Committee

On behalf of The Kansas Chamber and its business and industry members from all across Kansas, I am pleased to appear in support of SB 298, enacting the county option retailer's act.

Our annual Kansas Chamber Legislative Agenda is member-driven and was adopted by unanimous vote at our Dec. meeting for the 2015 Session. Our agenda supports free enterprise and encourages competition. Included in our Regulatory Affairs section is support to: "Lift outdated restrictions on the retail sale of legal products to create a level playing field and a consumer-centric environment where all businesses large and small play by the same rules."

SB 298 takes a balanced approach toward advancing that policy, an approach that addresses the free enterprise, consumer-oriented need to modernize our laws relating to the retail sale of alcohol products, while providing reasonable protection and incentives for those retailers who have benefitted from a regulatory environment that has existed as a virtual monopoly. The Kansas Chamber strives to support policies that avoid, to the extent possible, government picking winners and losers in the free market. While SB 298 does not propose to break down all regulatory barriers to a pure free enterprise system, it does take a significant and measured step toward leveling the playing field in a way that protects the interests of all businesses and consumers in this stream of commerce.

Similar legislation has passed out of Committee in the House. SB 298, unlike the House version, includes a county option provision that many legislators have expressed a preference for. We have heard arguments in favor of continuing to protect an extremely small class of retailers in an economic climate where other small retailers do not enjoy the same anti-competitive protections. We have heard from some that this is an urban vs. rural issue. Rather than having government continuing to regulate and perpetuate this monopoly, we believe voters – your constituents- should have a say. Why? Because it's the consumers who have asked for this change and the consumers should have a voice.

SB 298 is a bill whose time has come, and Kansas will be better for it as we update our laws to continue to meet the needs of our citizens and encourage competition.