



To: House Commerce Committee  
From: Gratz Peters  
Date: February 13<sup>th</sup>, 2017  
Ref: Support of HB 2282

Mr. Chairman and Committee Members:

Thank you for the opportunity to submit this testimony to you today in support of HB 2282. My name is Gratz Peters from Erie and I am a lifelong fifth generation Kansan. I am co-founder and president of Pete's Convenient Stores serving Southeast Kansas for 40 years as of this November 1st. For much of the last 40 years my company has retailed motor fuels and convenience to consumers in Kansas stores along the Missouri border in Linn, Bourbon, Crawford, and Cherokee counties.

In spite of excise tax disparities on motor fuels and tobacco as well as being disadvantaged with anti consumer Kansas liquor laws when compared to Missouri, we at Pete's have been able to survive even with lower customer counts and thereby lower sales. Once again this legislative session threatens to widen tax disparities even further. This is unbelievable given the fact that one-third of all Kansans live within 30 miles of Missouri allowing them easy access to lower priced, free market subjected consumables and services in Missouri. I live 2 counties in from Missouri and I know several friends and neighbors who make regular planned trips to Missouri to buy their motor fuel, tobacco, legal adult beverages, as well as their other consumables. These planned trips are often bundled with their family, friends and neighbors.

In 2014 my company was given a rare opportunity to acquire some stores in Missouri counties adjacent to Kansas so we now have an equal representation of Missouri stores that gives us a unique position and insight to the advantages of having lower taxes with free market legal adult beverages. Little did we know in 2014 that those tax disparities would be at further risk of widening in the 2017 legislature. Please understand that I am not now pro Missouri or Oklahoma over Kansas. I am forever Kansan!

Several times in the past I have submitted testimony in favor of reforming Kansas antiquated, restrictive, and consumer unfriendly legal adult beverage laws. My efforts in the past were largely due to the desire to restore beer sales in Kansas stores to the level we once enjoyed back in the pre 21 year old purchase restriction days. Today my effort to reform Kansas beer laws is fearfully driven by the fact that Oklahoma and Colorado have now reformed their laws thereby eliminating 60% of all 3.2 beer demand by 2018 and 2019 respectively. The other 3 remaining 3.2 beer states are all attempting to reform their beer laws so it would only make good business sense to assume that brewers will cease producing 3.2 as demand diminishes.

All consumers desire convenience at a competitive price. We convenience and grocery store retailers also have an investment in facility and equipment for the legal adult beverages we currently sell. We all have competent good people on staff, high tech point of sales systems in place, and a strong desire to protect against the sale of all age restricted products.

In closing, HB 2282 is fair to all retailers and consumers. It allows anyone to own multiple licenses as desired and it allows for the sale of other products currently restricted in liquor stores. An equivalent bill in Oklahoma was passed by its electorate by two-thirds majority in the last election. Does anyone really think that the results in Kansas would be any different? I therefore urge you, first and foremost, to consider what the majority of your constituent's desire when you cast your vote on HB 2282. "Convenience at a free market subjected price"

Thank you and I stand for any questions,

Gratz Peters  
Pete's Stores  
Parsons, Kansas