



Memorandum:

To: House Commerce, Labor and Economic Development Committee
From: Thomas M. Palace, Executive Director PMCA of Kansas
Date: January 29, 2018
Re: HB 2502 – Written testimony in Support

Mr. Chairman and Members of the House Commerce, Labor and Economic Development Committee:

My name is Tom Palace. I am the Executive Director of the Petroleum Marketers and Convenience Store Association of Kansas (PMCA of Kansas), a statewide trade association representing over 275 independent Kansas petroleum distribution companies and convenience store owners throughout Kansas.

PMCA supports HB 2502.

Mr. Chairman, HB 2502 is the “trailer bill” to House Substitute for SB 13 that was passed in the 2017 legislative session. HB 2502 contains provisions that were agreed upon by all parties to satisfy the Director of the Alcohol Beverage Control and the League of Municipalities. The bill also contains additional technical amendments suggested by the Reviser of Statutes.

The main components of HB 2502 are:

Section 1 - gives the Director of ABC the authority to issue citations to CMB retailers, authority that the director currently does not have.

Section 2 - requires the ABC to provide the legislature a market impact study that breaks down the effects of SB 13 passed in the 2017 legislative session. Also, the Director will have the ability to adopt rules and regulations applicable to CMB retailers.

Section 3 - covers licensure; also, the Director may refuse to issue a stamp if the applicant or licensee is not current in the payment of any fines imposed by the Director relating to such license or a license previously issued pursuant to this section, the Kansas liquor control act or the club and drinking establishment act.

Section 4 - Revisor amendments

Section 5 - definition to include “Cereal Malt Beverage – shall have the same meaning as defined in current statutes, shall include beer containing not more than 6% alcohol by volume when such beer is sold be a retailer under the Kansa cereal malt beverage act. This section also states that CMB is subject to sales tax and beer up to 6% abv will be subject to sales tax.

Section 6 – amends statutes in the Kansas Statute Book.

Petroleum Marketers and Convenience Store Association of Kansas

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Section 7 – the act shall take effect on April 1, 2019.

The stakeholders that supported House Substitute for SB 13 have come together have agreed to support this bill and ask the committee to approve HB 2502.

Thank you for your time.

Thomas M. Palace
Executive Director
PMCA of Kansas