STATE OF KANSAS HOUSE OF REPRESENTATIVES

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163 DEER RUN ATCHISON, KANSAS 66002

JOHN R. EPLEE, MD

HB2596

Thank you Mr. Chairman. It's a great pleasure for me to rise in strong support of HB2596 and to address my colleagues on our Federal & State Committee. The issue in this bill has a rather long history as I will briefly outline in my testimony.

This bill was a hand off to me from Representative Jerry Henry, my predecessor in District 63 – four years ago. In my first year, I was a bit naive about statutes pertaining to Alcohol & Beverage Control (ABC). With significant stakeholder input I believe we have an excellent bill now that will positively impact the Atchison Community. As we have worked together on this bill, I have become well educated on the 3 tier system of alcohol production, distribution, and sales. The way this bill is written it does now allow a manufacturer of distilled spirits to own a restaurant if their point of manufacture is in close proximity (1.2 miles) of the restaurant. You will hear from other proponents that Midwest Grain Products in Atchison has owned a building for over 5 years on the Missouri river front that can easily function as a highend restaurant. It is nearly turn key. But this facility has <u>not opened</u> due to the statutes regarding the 3 tier system and remaining in compliance.

There are safeguards built into this bill to honor the 3 tier system of manufacturer, distributor/wholesaler, and ultimately retailer. No one is hurt or adversely effected by passing this bill. And this bill would allow a manufacturer to directly own a restaurant in our community as we may be the only community in Kansas that has this unique circumstance – a manufacturer within 1.2 miles of a restaurant. The restaurant lessee will still be required to purchase all alcohol/beer/wine from the wholesalers as per the current statutes. All licensing, etc., remains the same.

Passing this bill would have a most beneficial impact on the Atchison Community and allow a badly needed high-end eating establishment to finally flourish.

I greatly appreciate the opportunity to appear before you today on this focused yet very important issue to the Atchison Community.