

SESSION OF 2019

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2035

As Amended by Senate Committee of the Whole

Brief*

HB 2035, as amended, would specify notice and procedural requirements for violations of the Cereal Malt Beverage (CMB) Act and would place violations of the Act under the authority of the Division of Alcoholic Beverage Control (ABC), within the Department of Revenue. Under the provisions of the bill, notice and procedural requirements for violations of the Act would be the same as violations of the Liquor Control Act and the Club and Drinking Establishment Act.

Law becoming effective on April 1, 2019, (2018 HB 2502) allows CMB retailers to sell beer containing no more than 6.0 percent alcohol by volume, and would provide ABC with enforcement authority for violations involving the sale of such beer by those retailers. The bill would make this authority uniform across state liquor laws.

The bill also would make changes to clarify all retail sales of liquor, cereal malt beverage, and non-alcoholic malt beverage are subject to the liquor enforcement tax described in KSA 79-4101. The bill would specify for provisions related to the liquor enforcement tax, "retailer" would have the same meaning as the definition found in KSA 41-102.

The bill would be in effect upon publication in the *Kansas Register*.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The bill was introduced by the House Committee on Federal and State Affairs at the request of its chairperson, Representative Barker, on behalf of the Kansas Association of Chiefs of Police, Kansas Sheriffs' Association, and Kansas Peace Officers Association.

In the House Committee hearing, the Director of ABC and a representative of the Kansas Association of Chiefs of Police, Kansas Sheriffs' Association, and Kansas Peace Officers Association appeared in support of the bill. They generally testified passage of the bill would bring uniformity to the enforcement of statutes concerning the sale of liquor. Written-only proponent testimony was provided by representatives of the Kansas Beer Wholesalers Association and the Petroleum Marketers and Convenience Store Association of Kansas.

No other testimony was provided.

The House Committee recommended the bill be placed on the Consent Calendar.

In the Senate Committee on Federal and State Affairs hearing, the Director of ABC; a representative of the Kansas Association of Chiefs of Police, Kansas Sheriffs' Association, and Kansas Peace Officers Association; and a representative of the Kansas Wine and Spirits Wholesalers Association appeared in support of the bill. Written-only proponent testimony was provided by a representative of Petroleum Marketers and Convenience Store Association of Kansas.

The Senate Committee amended the bill to clarify all retail sales of liquor, cereal malt beverage, and non-alcoholic malt beverage are subject to the liquor enforcement tax described in KSA 79-4101.

The Senate Committee of the Whole amended the bill to specify for provisions related to the liquor enforcement tax,

“retailer” would have the same meaning as the definition found in KSA 41-102 and also to make a technical change.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue indicates the bill would have no fiscal effect on the Department.