

March 10, 2021

The Honorable Larry Alley, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Alley:

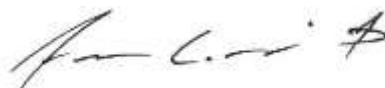
SUBJECT: Fiscal Note for SB 257 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 257 is respectfully submitted to your committee.

SB 257 would allow retail liquor stores to sell containers of beer and cereal malt beverages in refillable and sealable containers for consumption off the licensed premises. The bill would require containers to hold within 32 and 64 fluid ounces and have a label that clearly indicates the licensee's name and the type of alcoholic beverage in the container. The bill would also allow Class A and B Clubs to sell containers of beer and cereal malt beverages in a similar manner but would prohibit sales after 11:00 p.m. Sales from Class A and Class B Clubs would be subject to the liquor drink tax.

The Department of Revenue indicates that enactment of the bill would require it to revise its handbooks for Class A and B Clubs, drinking establishments, and retailers at a total cost of \$4,575 from the State General Fund in FY 2022. Of this amount, \$1,800 would be to update publications and \$2,775 would be to print and mail notices to approximately 2,500 taxpayers. The Department notes that enactment of the bill could result in a decrease in beer and cereal malt beverage sales for retailers. Any fiscal effect associated with SB 257 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue