

March 1, 2012

The Honorable Steve Brunk, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2689 by Representative Gregory

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2689 is respectfully submitted to your committee.

HB 2689 would amend liquor statutes to allow distributors to sell beverages to railway cars and for the railway cars to serve the beverages. The bill would define railway car as a locomotive drawn conveyance used for the transportation and accommodation of human passengers that is confined to a fixed rail route. The bill would require each car to have a license framed and hung in plain view. The fee for a railway car license would be \$2,000.

The bill would require that 70.0 percent of the tax collected be distributed to counties equally through which the railway car passes or operates, provided that the county is one where the qualified electors have approved the sale of liquor by the drink or have not approved a prohibition against the sale of alcoholic liquor. The bill would take effect upon its publication in the *Kansas Register*.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$15,000
FTE Pos.	--	--	--	--


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Page 2—2689

The Department of Revenue estimates that HB 2689 would increase its fee fund expenditures in FY 2013 by \$15,000 to update the computer processing system and revise publications. The Department estimates that the provisions of the bill would increase liquor tax receipts to the State General Fund, but the amount would be less than \$10,000 every other year. Any fiscal effect associated with HB 2689 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", written in a cursive style.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue
Melissa Wangemann, Kansas Association of Counties