

February 21, 2012

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

Dear Senator Brungardt:

SUBJECT: Fiscal Note for SB 381 by Senator Steineger

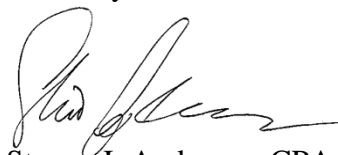
In accordance with KSA 75-3715a, the following fiscal note concerning SB 381 is respectfully submitted to your committee.

SB 381 would allow the sale of cereal malt beverage (CMB) and alcoholic liquor on the same retail premises, with appropriate licensing. The bill would change the definition of a retailer to include a person who sells both alcoholic liquor and cereal malt beverage. The bill would allow the sale of CMB on premises licensed as a retail liquor store, if the licensee also holds a cereal malt beverage license issued under the Cereal Malt Beverage Act. The retailer would be subject to the same laws and restrictions as with the sale of alcoholic liquor. The bill would allow the governing body the discretion to deny a CMB license to a person who has been convicted of a violation of the Kansas Liquor Control Act.

The bill would allow the sale of CMB on premises which are licensed under both the Cereal Malt Beverage Act and the Liquor Control Act at any time when alcoholic liquor is allowed by law to be served on the premises. The bill would also allow the mixing of drinks and the sale, possession, and use of alcoholic liquor on the premises of a CMB retailer who also holds a retailer's license. SB 381 would repeal the statutes which require the sale of CMB to be separate from alcoholic liquor.

The Department of Revenue indicates that SB 381 could increase state liquor enforcement tax receipts, but the amount would be negligible.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Anderson".

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

cc: Steve Neske, Revenue