

March 14, 2019

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

Dear Senator Estes:

SUBJECT: Fiscal Note for SB 221 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 221 is respectfully submitted to your committee.

SB 221 would allow clubs and drinking establishments to sell beer, domestic beer, and cereal malt beverages in refillable and sealable containers for consumption off the licensed premises. The container must contain between 32 to 64 fluid ounces and have a label affixed that clearly indicates the licensee's name and type of alcoholic beverage. The bill also makes technical changes to existing law that allows patrons to remove opened containers of alcoholic liquor under certain conditions.

The Department of Revenue indicates SB 221 would increase the sale of beer, domestic beer, and cereal malt beverages at clubs and drinking establishments. However, the Department does not have data to estimate the amount of increased sales at clubs and drinking establishments or if there will be a reduction of sales at retail liquor stores as a result of this bill to make a precise estimate of the fiscal effect on liquor taxes that would be deposited in the State General Fund starting in FY 2020. Any fiscal effect associated with SB 221 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue