### SESSION OF 2022

### SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2502

#### As Amended by House Committee on Federal and State Affairs

## Brief\*

HB 2502, as amended, would amend the Liquor Control Act regarding where a licensed liquor retailer may sell and deliver alcoholic liquor and cereal malt beverage (CMB) to a public venue, club, or drinking establishment licensee for resale by such licensee, to allow such sales to licensees located in a corner located within two miles measured along the adjacent county boundary, as well as in the same or in an adjacent county as the licensee's premises as in current law.

## Background

The 2021 Special Committee on Liquor Law Modernization met over the 2021 Interim to study various topics related to alcoholic liquor. Among the topics studied by the Special Committee was the sale of alcoholic liquor and CMB by liquor retailers for resale by public venues, clubs, and drinking establishments. The Special Committee recommended that the Liquor Control Act be amended to allow such sales regardless of proximity of the licensee to the retailer.

The bill was introduced by the House Committee on Federal and State Affairs at the request of Representative Barker.

<sup>\*</sup>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

## House Committee on Federal and State Affairs

During the House Committee hearing on January 27, 2022, **proponent** testimony was provided by the Kansas Restaurant and Hospitality Association, who indicated economic change in western Kansas is necessitating greater flexibility for licensees to purchase products from a wider selection of retail liquor stores.

**Opponent** testimony was provided by representatives of American Family Action of Kansas & Missouri, the Kansas Association of Beverage Retailers, the Kansas Association for Responsible Liquor Laws, the Kansas Beer Wholesalers Association, and the Kansas Wine & Spirits Wholesalers Association. The opponents stated their concern with the scope of the bill, the interruption of current regional markets, the issue of buying back expired product, and cleaning beer taps.

No other testimony was provided.

The House Committee amended the bill to allow sales to licensees located in a corner located within two miles measured along the adjacent county boundary. The bill as introduced would have allowed sales to licensees in any county in Kansas.

# **Fiscal Information**

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

Alcoholic liquor; cereal malt beverage; club; drinking establishment; Kansas Liquor Control Act; premises; public venue; retailer