



February 2, 2023

Mr. Chairman and Members of the Committee,

On behalf of the Kansas Beer Wholesalers Association, thank you for the opportunity to provide testimony in support of H.B. 2124, AN ACT concerning alcoholic beverages; relating to the Kansas cereal malt beverage act; allowing businesses to sell cereal malt beverage by the drink on Sundays without requiring that 30% of such businesses' gross receipts be derived from the sale of food.

Currently, an on-premise CMB retailer is permitted to sell CMB (beer up to 6% ABV) Monday through Saturday between the hours of 6 AM and 12 AM. However, they are only allowed to sell CMB on Sunday if they are located in a county or city where Sunday sales have been authorized by city ordinance (for premises in cities) or by county resolution (for premises in townships but not in a city) AND derive at least 30 percent of their gross receipts from the sale of food to be consumed on the licensed premises.

H.B. 2124 removes the requirement that at least 30 percent of the gross revenues be from the sale of food in order to sale CMB on Sundays in cities or counties where the governing bodies have voted to allow Sunday sales.

Many of Kansas' rural cities and counties have small mom and pop operators of cafes, bowling alleys, taverns, etc. that only have a CMB retailers permit. While the small café owner is likely to meet the 30% requirement, other businesses such as a bowling alley, theater, tavern or arcade cannot meet the current statutory requirement. In many cases, the sale of CMB creates enough profit to justify being open on certain days, including Sundays. At the same time, the inability to sell CMB causes some Kansas small business to remain closed on Sundays because not enough profit is generated based on other sales to justify the cost of utilities and labor, etc.

We believe that the current 30% requirement related to food sales is outdated public policy and serves no benefit to public welfare and safety. To the contrary, it is harming the economic welfare of a segment of main street Kansas businesses. Therefore, we ask that the Committee report H.B. 2124 favorable for passage.

Very truly yours,

Jason P. Watkins

Kansas Beer Wholesalers Association