

February 24, 2021

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

Dear Senator Alley:

SUBJECT: Fiscal Note for SB 253 by Senate Committee on Federal and State Affairs

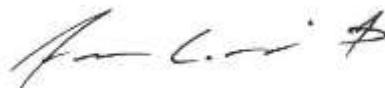
In accordance with KSA 75-3715a, the following fiscal note concerning SB 253 is respectfully submitted to your committee.

SB 253 would allow farm wineries, in accordance with existing federal law, to: (1) transfer or receive bulk wine or packaged wine in bond to any bonded premises; (2) transfer bulk wine to a distilled spirits plant; (3) receive distilled spirits in bulk; and (4) produce fortified wine by adding wine spirits to their own domestic wine. The bill would also allow farm wineries to import wine from outside Kansas to use in the production of its own domestic or fortified wine. However, wine imported in this fashion must be reported on forms prescribed by the Director of Alcoholic Beverage Control.

The bill would prohibit farm wineries from transferring wine to a brewery, and clarifies that if a term is not defined in the Kansas Liquor Control Act, federal definitions would apply. In addition, SB 253 would allow the holder of a federally-issued distilled spirits plant permit to apply for and receive a packaging and warehousing facility permit. Finally, the bill would allow the holder of a packaging and warehousing facility permit to receive and transfer alcoholic liquor from any manufacturer or supplier for the purpose of canning or bottling. SB 253 would take effect and be in force from and after its publication in the statute book.

The Kansas Department of Revenue indicates SB 253 would not have a fiscal effect.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue