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Laura Kelly, Governor

January 31, 2023

The Honorable Will Carpenter, Chairperson House Committee on Federal and State Affairs 300 SW 10th Avenue, Room 346-S Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2170 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2170 is respectfully submitted to your committee.

Current law allows the withdrawal of spirits, wine, or beer from a licensed distributor's inventory for use as samples in the course of the business of the distributor or at industry seminars. Samples may only be provided to persons licensed as a distributor or a retailer under the Kansas Liquor Control Act and the person's employees. HB 2170 would amend the Act to allow samples to be provided to anyone licensed under the Club and Drinking Establishment Act, including employees of a licensee. Further, the bill would provide that products provided for sampling may include only those that have not been purchased from the distributor licensee by the retailer or Club and Drinking Establishment Act licensee within the previous 12 months. A "sample" would be defined as no more than three liters of distilled spirits or wine, or three gallons of beer or cereal malt beverage.

The Kansas Department of Revenue indicates the enactment of HB 2170 would require modifications to handbooks but would have no fiscal effect.

Sincerely,

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Director of the Budget

cc: Lynn Robinson, Department of Revenue Wendi Stark, League of Kansas Municipalities Jay Hall, Kansas Association of Counties