

House Committee on Federal and State Affairs
Hearing on House Bill 2766
Written Testimony Presented in Support
By Brew Bank
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Chairman Barker and Committee:

Thank you for the opportunity to present written testimony in support of House Bill 2766. My name is Ryan Cavanaugh and I am the Co-owner and operator of Brew Bank pub and restaurant. Brew Bank is the winner of the 2018 Top Tank entrepreneur competition and the prize of a \$100,000 startup investment. Our winning business proposal and business plan was selected from a pool of 59 submissions by six prominent Kansas business owners.

Our business model is a new take on the family pub and restaurant concept, featuring state-of-the-art technology and quality craft brews with a community feel. Our establishment will feature craft beer from brewers all across Kansas on a wall of 20 digital self-serve taps. Our business model celebrates Kansas by showcasing not only Kansas brewers, but also Kansas distilleries through use of their spirits in our featured cocktails, and Kansas regional talent in jazz, blues, acoustic, and comedy performances on our stage. In addition to craft brew, wine, and cocktails, Brew Bank will offer a full menu featuring artisan sandwiches and cheese balls as well as kid-friendly food options and children's Karaoke. At Brew Bank are ultimately committed to celebrating responsible consumption and will provide craft root beer on tap, coffee, water, and other non-alcoholic options to all designated drivers free of charge.

The design and operation of self-serve taps is meant to create a social drinking experience not a binge drinking experience. In order to access the self-serve taps a customer is approached by a member of our wait staff. They are offered the option to place a specific amount of money on a "Tap Card" with cash or credit card. The staff then checks identification for appropriate age and then activates the Tap Card on a handheld device. The customer is then able to approach a tap along a tap wall, place the card on a digital screen, and put as little or as much beer into their glass as they like. All taps are programmable and are preset to deactivate when a customer reaches a 32 ounce pour limit. Taps can also be instantly deactivated remotely by any staff member. To create the proper atmosphere and to attract the desirable customers it is

mandatory that maximum efforts are made to prevent overindulgence and underage drinking. All staff will be required to be trained by local law enforcement to recognize signs of inebriation, and to closely monitor taps. In addition to staff monitoring all taps will be under constant video surveillance. The Brew Bank team is committed to be the leader in this market and set an example for how other business owners can integrate these highly-controlled systems into their businesses in a responsible and conscientious way, holding the safety of minors and adults alike above all else.

As the current statute reads self-service wine taps are allowed and although a glass of wine possesses the same alcohol content as a glass of beer, (0.6 ABV) beer is not included in the language for self-serve devices. The research and data that show the value of third spaces, in the form of pubs, to the health and development of a community is extensive. Therefore we feel it vitally important to support HB 2766.

Our support of HB 2766 is categorized by the following points. (1) Self-serve taps create a more responsible way of consuming beer as consumption limits can be pre-programmed into the taps themselves. Overindulgence can be minimized by the automatic deactivation of a tap card once the customer has met their ounces poured limit. (2) We feel the current Kansas regulations that govern self-serve wine taps are completely applicable to self-serve beer taps and ensure complete tap video monitoring to prevent underage consumption, promote responsible customer consumption limits, and allow for appropriate levels of staff to patron interaction. These established regulatory actions are necessary to create the lawful atmosphere desired by responsible business owners. (3) Kansas is one of only four states who are not currently utilizing this technology. Much in the way gas stations went to self-service, and fountain sodas went to self-service in fast food restaurants, this is an industry trend that is widely accepted as a positive option for attracting and creating new business owners, and inject new business dollars into the state economies (4) It will allow small businesses especially in our rural communities to take advantage of this technology. It will keep their businesses relevant and competitive, and keep their local taverns open, which can support the “third spaces” concept of having a city center and tightly knit community.

HB 2766 is crucial to the modernization of current liquor laws, to create consistency between wine and beer in the current statute, and to properly address the need for this highly-effective business technology. We ask you to support HB 2766.