

March 29, 2017

The Honorable John Barker, Chairperson  
House Committee on Federal and State Affairs  
Statehouse, Room 285-N  
Topeka, Kansas 66612

Dear Representative Barker:

**SUBJECT:** Fiscal Note for HB 2411 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2411 is respectfully submitted to your committee.

HB 2411 would allow a microbrewery to contract with one or more microbreweries for the purpose of manufacturing beer or hard cider on the behalf of those microbreweries. A microbrewery would be allowed to have its beer manufactured by a contract brewer only if that contract brewer is located in Kansas. However, a Kansas microbrewery would be allowed to manufacture and package beer for a microbrewery located outside of Kansas. Each party engaged in a contract brewing agreement would be required to count the total amount of barrels brewed as part of the agreement and include that total amount as part of their allowed aggregate total. The bill would also allow beer manufactured by a contract brewer for a microbrewery to be returned to the manufacturing microbrewery.

The Department of Revenue estimates any fiscal effect associated with the implementation of HB 2411 would be negligible and could be absorbed within existing resources.

Sincerely,



Shawn Sullivan,  
Director of the Budget

cc: Lynn Robinson, Department of Revenue