

SESSION OF 2018

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2482

As Amended by Senate Committee on
Commerce

Brief*

HB 2482, as amended, would increase the length of time that certain businesses may serve or sell alcohol.

Establishments licensed to serve alcohol would be allowed to sell drinks starting at 6:00 a.m. Under current law, establishments may not sell drinks between the hours of 2:00 a.m. and 9:00 a.m.

Farm wineries, microbreweries, and microdistilleries would be allowed to sell their respective alcoholic products in their original containers between 6:00 a.m. and 12:00 a.m. on any day. Current law limits the hours these establishments may sell alcohol on Sundays, between 12:00 p.m. and 6 p.m. for farm wineries and between 11:00 a.m. and 7:00 p.m. for microbreweries and microdistilleries.

A farm winery outlet would be allowed to serve wine manufactured by the farm winery licensee, provided the outlet is in a county where the sale of alcoholic liquor is permitted. Wine sold pursuant to the bill would not be subject to the Club and Drinking Establishment Act, and a drinking establishment license would not be required to sell the drink. Under current law, a farm winery may have up to three licensed outlets, but the outlets are not permitted to sell individual drinks.

The bill would define "day" to mean that period of time from 6:00 a.m. until 2:00 a.m. the following calendar day.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The House Committee on Commerce, Labor and Economic Development introduced the bill at the request of Representative Williams.

During the hearing before the House Committee on Commerce, Labor and Economic Development, Representative Williams provided testimony (written only), along with representatives of various alcoholic beverage and trade associations and business firms, in support of the bill. Proponents said the bill would benefit persons who eat out earlier during the day, especially workers who have completed a late night shift. Extended hours would appeal to viewers of live, internationally broadcasted sporting events.

A representative of Alcohol Beverage Control (ABC), Kansas Department of Revenue (Department), provided written-only neutral testimony, stating ABC would not view the bill as having any impact on public health or safety.

There was no opponent testimony.

During the hearing before the Senate Committee on Commerce, representatives of various alcoholic beverage and trade associations and business firms spoke in favor of the bill. Proponents said the bill would benefit persons who eat out earlier during the day, especially workers who have completed a late night shift. Extended hours would appeal to viewers of live, internationally broadcasted sporting events. Proponents representing farm wineries suggested the bill be amended to make the hours of sale for wineries uniform with licensed establishments.

A representative of ABC provided written-only neutral testimony, stating the agency would not view the bill as having any impact on public health or safety.

There was no opponent testimony.

The Senate Committee amended the bill to:

- Increase the number of hours in which farm wineries, microbreweries, and microdistilleries would be allowed to sell their respective alcoholic products; and
- Allow farm winery outlets to sell individual drinks.

According to the fiscal note prepared by the Division of the Budget, in consultation with the Department, the Kansas Association of Counties (KAC), and the League of Kansas Municipalities (LKM), the bill, as introduced, would have the potential to increase state revenues. The increase in administrative costs would be negligible. KAC indicates the bill would have no fiscal effect on counties, and LKM states there is a potential to increase municipal revenues.