

February 24, 2020

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

Dear Senator Estes:

SUBJECT: Fiscal Note for SB 417 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 417 is respectfully submitted to your committee.

SB 417 would authorize the sale of alcoholic liquor by a Class A club to nonmembers of the club at special events. This could only occur during events in which the licensee would have to electronically notify the Alcohol Beverage Control Director (ABC) at least 48 hours prior to the event. The Director would then have to notify local law enforcement. The notification would need to contain the time, location and the names of the contracting parties of the event and the licensee would need to retain all documents for a period of three years for inspection by the Director.

The Department of Revenue indicates that it would need to create a means for Class A club licensees to report to the ABC electronically. The agency would also need to make changes to the Kansas Customer Service Center, make changes to the Class A handbook, and add Class A club events to the agency's public record database. The agency estimates that enactment of SB 417 would increase expenditures by \$25,000 from the State General Fund in FY 2021 for administrative costs. Any fiscal effect associated with SB 417 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue