

Approved: 3-16-12
Date

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Pete Brungardt at 10:30 a.m. on January 25, 2012, in Room 144-S of the Capitol.

All members were present except:
Senator Steve Morris- excused

Committee staff present:
Jason Long, Office of the Revisor of Statutes
Tamera Lawrence, Office of the Revisor of Statutes
Dennis Hodgins, Kansas Legislative Research Department
Julian Efird, Kansas Legislative Research Department
Connie Burns, Committee Assistant

Conferees appearing before the Committee:
Representative James Fawcett
Representative Mario Goico
Gregg Burden, Kansas Commission of Veterans Affairs
Tuck Duncan, Kansas Wine and Spirits Wholesalers Association
Whitney Damron, Distilled Spirits Council of the United States
Larrie Ann Brown, Wine Institute
Garry Winget, Kansas for Addiction Prevention
Francis Wood, Women's Christian Temperance Union
LoisAnn Beal, Women's Christian temperance Union
Ron Hein, Kansas Restaurant and Hospitality Association
Stacy Harlow, Kansas Association of Beverage Retailers
Kelly Jennings, Topsy's Retail Liquor, Mission, Kansas

Others attending:
See attached list.

Introduction of Bills:

Allie Devine, Kansas for Sensible Immigration Policy, requested a bill introduction concerning the Kansas business workers and community partnership act.

Senator Ostmeyer moved that this request should be introduced as a committee bill. Senator Faust-Goudeau seconded the motion. The motion carried.

HCR 5016 - Urging Congress to extend equal benefits for the treatment of Agent Orange exposure to Vietnam veterans who served outside of Vietnam.

Chairman Brungardt opened the hearing on **HCR 5016**.

Staff provided an overview of the resolution.

The minutes of the Federal and State Committee at 10:30 a.m. on January 25, 2012, in Room 144-S of the Capitol.

Representative James Fawcett spoke in favor of the resolution. (Attachment 1) The resolution urges the United States Congress to extend equal benefits and compensation for the treatment of diseases associated with Agent Orange exposure to Vietnam era veterans who served outside of Vietnam. It is now known that exposure to Agent Orange causes a variety of devastating health effects such as increased rates of cancer, immune and neurological disorders, and genetic maladies which can lead to birth defects in the children of those who were exposed.

Representative Mario Goico testified in favor of the resolution. (Attachment 2) Veterans began to file claims in 1977 to the Department of Veterans Affairs for disability payments for health care for conditions they believed were associated with exposure to Agent Orange; their claims were denied unless they could prove the condition began when they were in the service or within one year of their discharge. Some of the exposure our forces received was not by direct contact (physically being sprayed with the products). Military personnel who loaded airplanes and helicopters probably sustained some of the heaviest exposures. Some of the exposure was probably also caused by residue on returning airplanes.

This resolution urges the United States Congress to extend equal benefits for the treatment of Agent Orange exposure to Vietnam who served outside of Vietnam who were exposed by contact with contaminated aircrafts.

Gregg Burden, Executive Director, Kansas Commission on Veterans' Affairs, spoke in support of the resolution. (Attachment 3)

Chairman Brungardt closed the hearing on **HCR 5016**.

The chairman called for the pleasure of the committee on the resolution.

*Senator Reitz moved to pass **HCR 5016** out favorably. Senator Longbine seconded the motion. The motion carried.*

SB 269 - Alcoholic beverages; retailer licenses, alcoholic liquor

Chairman Brungardt opened the hearing on **SB 269**.

Staff provided an overview of the bill.

Tuck Duncan, Kansas Wine & spirits Wholesalers Association, appeared in support of the bill. (Attachment 4) The bill permits in-store tastings where products to be sampled would come from the inventory of the retailer or could be purchased by the supplier. A technical amendment was provided.

Whitney Damron, Distilled Spirits Council of the United States, (DICUS) appeared in support of the bill. (Attachment 5) Tastings provide an opportunity for a consumer to sample and compare spirits in a controlled atmosphere and then deciding whether the product merits their investment of the cost of an entire bottle or ordering a drink at a bar or restaurant at a later date. Also provided is a map of states indicating which ones currently allow for some form of tastings and which ones do not.

The minutes of the Federal and State Committee at 10:30 a.m. on January 25, 2012, in Room 144-S of the Capitol.

Larrie Ann Brown testified in support of the bill. (Attachment 6) Ms. Brown stated that the Wine Institute strongly supports the outcome of the work of the parties involved with this particular piece of legislation and urges the support of the committee.

Opponents:

Garry Winget, Kansans for Addiction Prevention, testified in opposition of the bill. (Attachment 7) The Kansas Legislature has the power the ability to at least hold the line on the consumption of alcohol. Alcohol is by far the largest drug problem in America. Any legislation that allows alcohol consumption to increase is bad legislation.

Frances Wood, Legislative Director, Kansas Woman's Christian Temperance Union, spoke in opposition of the bill. (Attachment 8) The allowing of liquor samples will only lead to more consumption of this killer product. Please vote "No" on the bill.

Lois-Ann Beal, President of Capital City Women's Christian Temperance Union, appeared in opposition of the bill. (Attachment 9) Ms. Beal had several questions on how to police the people coming in to receive samples, can customers be denied samples, how many samples will be available and does the customer have to purchase any product.

Neutral:

Ron Hein, Kansas Restaurant and Hospitality Association, appeared as neutral on the bill. (Attachment 10) The bill permit retail liquor dealers to conduct sampling of product, basically permits licensees for "off-premises" retail liquor sales to achieve the ability to sample product with customers, whereas "on-premises" drinking establishments such as restaurants which serve alcoholic beverages are not permitted, under current law, to provide free samples of alcoholic beverages to our customers. This strikes us as unfair, and we will be seeking corrective action on this issue, so that competing businesses are treated equally. Attached is a listing of concerns on alcoholic beverage statutory provisions that KRHA hopes to address.

Stacey Harlow, President, Kansas Association of Beverage Retailers, (KABR) testified as neutral on the bill. (Attachment 11) KABR will not be engaged in lobbying for the bill, but hope to be able to provide input as to the impact if the bill is to move forward and may oppose the legislation if negative amendments are included.

Kelly Jennings, Topsy's Wine and Spirits, Mission, Kansas, appeared as neutral on the bill. (Attachment 12) The current attack on the Kansas owned retail liquor stores by out of state big box companies makes it impossible for me to request that the Legislature do anything that might influence that bigger issue.

Doug Jorgensen, Director, Alcoholic Beverage Control, provided written testimony as neutral on the bill. (Attachment 13) ABC sees no reason to treat free samples at retail establishments differently than the free samples already being dispensed across the state at farm wineries and microbreweries.

Chairman Brungardt closed the hearing on **SB 269**.

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Final Action:

The Chairman deferred working **SB 274** so that staff could draft the language for the committee to review.

SB 270 - Confidentiality and disclosure requirements of charitable gambling information

Staff provided a technical amendment to clean up language on page 4 of the bill. (Attachment 14)

Senator Reitz moved the amendment to clean up language on page 4. Senator Haley seconded the motion. The motion carried.

Senator Reitz moved to pass **SB 270** out favorably as amended. Senator Haley seconded the motion. The motion carried.

The next meeting is scheduled for January 26, 2012. The meeting was adjourned at 11:45 a.m.