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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 23, 2015

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

Dear Senator Ostmeyer:

SUBJECT: Fiscal Note for SB 217 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 217 is respectfully submitted to your committee.

SB 217 would allow a farm winery to sell at a farmers' market upon notification to the Division of Alcoholic Beverage Control (ABC) and payment of a \$25 fee for the annual farmers' market sales permit. The location of the farmers' markets must be identified on the application and if a sale were to occur at a location other than those listed on the application, the licensee would be required to notify the ABC before any wine is sold.

The Department of Revenue estimates SB 217 would increase expenditures by \$60,000 in FY 2016 to modify existing computer processing systems to allow for one permit for multiple locations. The Department cannot determine what, if any, revenues would result from the \$25 fee included in this bill. Any fiscal effect associated with SB 217 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Jack Smith, Department of Revenue