

March 5, 2020

Mr. Chairman and Members of the Committee,

On behalf of the Kansas Beer Wholesalers Association, thank you for the opportunity to offer testimony in support of H.B. 2672, an act concerning alcoholic beverages; relating to the club and drinking establishment act; authorizing licensees to sell and serve cereal malt beverages.

This legislation would allow class A and B clubs, drinking establishments, temporary permit holders and caters to sell and serve cereal malt beverage products, commonly called CMB. Currently, licensed CMB retailers and retail liquor stores may sell CMB. Licensed clubs and drinking establishments that do not also hold a CMB permit are prohibited from selling CMB products.

The legislation being considered today involves a simple set of changes to statute and should be considered public policy that promotes healthier choices and options for Kansas adults that chose to have a beer after work or during a weekend gettogether or celebration. In fact, the KBWA sees this as a clean-up to the strong beer bill that went into effect on April 1st of this past year.

When the legislature passed the "Strong Beer Bill" in 2018 it allowed for, among other things, the sale of beer up to 6% alcohol by volume (ABV) by holders of CMB permits. It also allowed for the purchase of CMB products by licensed liquor retailers (liquor stores). It is important to note that the new law did not eliminate the definition of CMB in state statute.

Most Kansans think of CMB as the lower alcohol content version of popular beers such as Bud Light and Coors Light which are sold in Kansas liquor stores and bars at 4.2% ABV, but were sold at 3.2% alcohol by weight (ABW) in grocery and c-stores. Another example would be Corona at 4.5% ABV and 3.2% ABW. While those products are no longer sold in their lower content versions, many other popular and sought-after products are still considered CMB in Kansas.

CMB is defined in the CMB Act as having not more than 3.2 percent alcohol by weight and produced by fermentation and not by distillation. This definition means that many low calorie, low alcohol content beer products fall under the statutory definition of CMB. I have attached to my testimony a list of several "CMB" products sold by Kansas beer distributors. These products are in high demand and demand increases every day as more and more Kansans seek out lower calorie and lower alcohol content beverages in their pursuit of healthier lifestyles.

Thank you once again for the opportunity to appear before you today and I am happy to answer any questions at the appropriate time.

Very truly yours,

Jason P. Wacking

Jason P. Watkins, Kansas Beer Wholesalers Association