Alcoholic Beverage Control 109 SW 9th Street, 5th Floor PO Box 3506 Topeka KS 66601-3506 Mark A. Burghart, Secretary



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Laura Kelly, Governor

MEMORANDUM

TO: Rep. John Barker, Chairman, House Committee on Federal and State Affairs

FROM: Debbi Beavers, Director, Alcoholic Beverage Control Division

DATE: March 5, 2020

SUBJECT: Neutral Testimony on House Bill 2672

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to testify.

This bill adds the ability to sell cereal malt beverage (CMB) to temporary permit holders, licensed caterers, class A clubs, class B clubs, drinking establishments, hotels, public venues and authorizes CMB on a permitted common consumption area premises. Under current law, if an on-premise liquor licensee wishes to sell CMB in addition to alcoholic liquor, they must also possess a locally issued CMB retailer license for on-premises consumption. The fee for a CMB on-premise retailer license is \$25-\$200 in addition to the \$25 state CMB stamp that must be applied to each license.

Because the licensee has two licenses, a beer distributor must create two invoices: one for purchases of alcoholic liquor with their state-issued liquor license and one for purchases of CMB using their CMB retailer license.

The bill would have an impact to city/county revenues if the CMB license was no longer required, but the amount is unknown.

Thank you, Mr. Chairman