STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D. Larry L. Campbell, Chief Budget Officer

February 23, 2018

The Honorable John Barker, Chairperson House Committee on Federal and State Affairs Statehouse, Room 285-N Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2731 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2731 is respectfully submitted to your committee.

HB 2731 would allow individuals with a beneficial interest in the manufacture of alcoholic liquor to hold a drinking establishment or caterer license pursuant to the Kansas Liquor Control Act provided no alcoholic liquor manufactured by the individual be sold at the licensed premises unless it was acquired from a distributor or retailer licensed under the Act. The bill would exempt manufacturers who hold a drinking establishment or caterer license pursuant to the Act from other provisions in the bill.

The Department of Revenue indicates enactment of HB 2731 would require the agency to update certain handbooks for manufacturers and drinking establishments. Any corresponding increase in expenditures would be absorbed within the agency's existing resources. Any fiscal effect associated with HB 2731 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

L. Copkell

Larry L. Campbell Chief Budget Officer

cc: Lynn Robinson, Department of Revenue