

Alcoholic Beverage Control
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MEMORANDUM

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

FROM: Debbi Beavers, Director, Alcoholic Beverage Control Division

DATE: February 19, 2021

SUBJECT: Neutral Testimony on House Bill 2252

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to testify.

This bill creates a new fulfillment house license which allows the license holder to provide warehousing, packaging and shipping of wine produced by and belonging to a licensed Kansas special order shipper to Kansas residents. The license fee is \$100 for a two-year term. The licensee must make reasonable efforts to ensure that any winery they are shipping for to Kansas residents is licensed in Kansas. All packages of wine shipped by the fulfillment house licensee must be clearly marked "SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY" and must be shipped by common carrier. Shipment records must be retained for three years. All shipments must be reported electronically to the ABC each month.

While the ABC did not bring this bill, it is important to the ABC because it will help us identify unlawful shipments. By requiring electronic reporting by the fulfillment house licensee, the Department will be able to compare shipments of wine by the licensed fulfillment house and the common carrier.

As written, the bill allows one license for multiple locations. Currently, each location must have their own liquor license. This change from a one license to many locations will require programming from our software provider that amounts to \$18,000. Additionally, the Department

will need to do additional internal programming to accommodate this change in the active liquor licensee database. The ABC would respectfully request that each fulfillment house location will have its own license.

The ABC also requests that the license effective date be changed from “the date the license is issued” to “the date specified on the license” for uniformity with all other license types.

Thank you, Mr. Chairman.