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## MEMORANDUM

To: Chairperson Thompson

Members of the Senate Committee on Federal and State Affairs

From: The Office of Revisor of Statutes

Date: March 5, 2024

Subject: SB 511 – Authorizing microbreweries to self-distribute the beer and hard

cider manufactured by the microbrewery.

Senate Bill No. 511 (SB 511) would make changes to the Kansas Liquor Control Act, the Club and Drinking Establishment Act, and statutes governing temporary permit holders to allow microbrewery licensees to sell the beer and hard cider manufactured by the licensee directly to retailers, clubs, drinking establishments, public venues, caterers, and temporary permit holders. Under current law, microbreweries must sell their product to a beer or wine distributor who then sells the product to retailers, clubs, drinking establishments, etc.

First, SB 511 amends K.S.A. 41-308b, which generally governs what conduct is allowed for microbrewery licensees. The amendments to subsection (a)(3) are similar to provisions that are currently applicable to farm wineries under K.S.A. 41-308a. These new provisions would allow a microbrewery to sell their beer and hard cider directly to retailers, clubs, drinking establishments, public venues, caterers, and temporary permit holders.

Second, SB 511amends K.S.A. 41-1201 and 41-1202 to add conforming amendments. These amendments authorize temporary permit holders to acquire beer and hard cider directly from a microbrewery. Those products would then be sold to the end consumer by the permit holder at the event for which the permit has been issued.

Finally, SB 511 amends K.S.A. 41-2642 to explicitly authorize drinking establishments to acquire beer and hard cider directly from microbreweries.

If enacted, SB 511 would become effective on July 1, 2024.