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Laura Kelly, Governor

January 27, 2023

The Honorable Will Carpenter, Chairperson House Committee on Federal and State Affairs 300 SW 10th Avenue, Room 346-S Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2124 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2124 is respectfully submitted to your committee.

HB 2124 would amend the Kansas Cereal Malt Beverage Act. The bill would allow on premise cereal malt beverage retailers to sell cereal malt beverage or beer containing no more than 6.0 percent alcohol by volume by the drink on Sundays without requiring that 30.0 percent of such businesses' gross receipts be derived from the sale of food for. The bill would include technical amendments. The bill would take effect upon publication in the *Kansas Register*.

The Kansas Department of Revenue indicates the enactment of HB 2124 would require the handbook for cereal malt beverage retailers to be updated and any fiscal effect would be negligible. The Kansas Association of Counties indicates the enactment of HB 2124 would allow Sunday alcohol sales for more licensed entities which would increase revenues to counties from licensure fees and sales tax revenues; however, a fiscal effect cannot be estimated.

Sincerely,

Adam Proffitt

Director of the Budget

cc: Sherry Rentfro, Department of Commerce Wendi Stark, League of Kansas Municipalities Jay Hall, Kansas Association of Counties Lynn Robinson, Department of Revenue