Approved: May 6, 2003

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairperson Nancey Harrington at 10:45 a.m. on February 20, 2003 in Room 245-N of the Capitol.

All members were present except: Senator Vratil, excused

Committee staff present: Russell Mills, Legislative Research Department

Dennis Hodgins, Legislative Research Department

Theresa Kiernan, Office of the Revisor Nikki Kraus, Committee Secretary

Conferees appearing before the committee: Bob Longino, Director, Alcoholic Beverage Control

Others attending: Please see attached.

Chairperson Harrington referred the committee to a follow-up letter from Janet Schalansky's office via Laura Howard, Deputy Secretary, Health Care Policy. (Attachment 1)

Mr. Longino clarified an issue from a previous meeting; he stated that if a person wanted to be a manufacturer in the state of Kansas, they must be licensed and then sell their product to a distributor who would sell it to consumers. If a company is a producer, then they cannot sell to the public. He also stated that there was only one manufacturer in Kansas, Midwest Grain Products, in Atchison. He stated that they send it out of the state to be finished, but that they produce both beverage and non-beverage alcohol.

Senator Lyon asked Mr. Longino what he thought the level of convolution or confusion was in Kansas liquor laws.

Mr. Longino replied that it was somewhere in the middle; he stated that he did not believe Kansas has a monopoly on confusion.

Senator Lyon asked if he sees reducing alcohol consumption by minors and those who over-consume as important areas, and what the motivations have been for change recently.

Mr. Longino replied that the former issues were concerning; average licensees have complaints that ABC is trying to fix to deal with their frustrations. He stated that the recent motivation for change has been a move to consolidate the Club and Drinking Establishment Act and the Liquor Control Act. He stated that in 1999 they had repealed nearly one-third of these laws but that some were still outdated. Following further discussion, Mr. Longino stated that in regard to underage drinking, minors were less likely to walk in a buy alcohol, but what happens is that it just moves further away from the source. He state that ABC was not sure how to solve that problem because it wasn't something you can just turn off.

Senator Gooch questioned how you balance out regulations of who drinks in regard to criminal punishment.

Senator Barnett complimented Senator Gooch's comment. Barnett stated that while raising the drinking age from 18 to 21 may have saved lives, it has also made many criminals. He stated that he still thought a life was worth it.

Following further discussion of liquor sales audits, Chairperson Harrington asked if parents who provide liquor in the home where minors are present, why, in addition to the minors leaving the home, are the adults not ticketed.

Mr. Longino stated that it is illegal to supply alcohol to minors. He went on to explain that the House Party Bill addresses that issue regarding underage consumption. He also clarified that if someone was selling

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alcohol and they were not a licensed retailer, then that was also an illegal sale without paying the drink tax.

Senator O'Connor asked Mr. Longino if Kansas law allows a 19 year old to drink wine with his family at Thanksgiving.

Mr. Longino stated that yes, 3.2% CMB was okay, but that he did not know about sacrificial wine etc.

Senator Gooch asked if perhaps we have gone overboard in regulating or limiting this, and wondered if we should go back and start cleaning up things instead of criminalizing people.

Mr. Longino stated that Senator Vratil had mentioned cross-state sales; there are challenges to the three-tiered system. He stated that we should also ask if we are doing the right thing by trying to protect youth from a possible lifetime of addiction or even death too.

Chairperson Harrington thanked Mr. Longino and assigned **SB 230** to a subcommittee of Senator Lyon, Senator Gooch, and Senator O'Connor.

The meeting was adjourned at 11:27 a.m.