

SESSION OF 2015

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2223

As Amended by House Committee on Federal
and State Affairs

Brief*

HB 2223, as amended, would create new provisions related to the dispensing of alcoholic liquor and make those provisions part of and supplemental to the Club and Drinking Establishment Act. Specifically, the bill would allow drinking establishments to sell and serve alcoholic liquor infused with spices, herbs, fruits, vegetables, candy, or other substances intended for human consumption if no additional fermentation occurs during the process.

Generally, alcoholic liquor is to be dispensed only from original containers, but, under the bill, a drinking establishment or its agent or employee would be able to dispense alcoholic liquor from a machine or container used to mix, chill, or infuse alcoholic liquor with additional liquids or solids. A drinking establishment or its agent or employee would not be able to refill any original container with any alcoholic liquor or any other substance. The bill would specify that the dispensing of alcohol from a machine pursuant to the provisions of the bill would not include self-dispensing by a customer.

The bill also would define the terms “infuse” and “dispense.” “Infuse” would mean to add flavor or scent to a liquid by steeping additional ingredients in the liquid. “Dispense” would mean to portion out servings of alcoholic liquor for consumption, including the pouring of drinks of alcoholic liquor and opening original containers of alcoholic liquor by the licensee or licensee’s employee for consumption

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

by consumers, and shall not include any self-dispensing by a customer.

Background

The bill was introduced in the House Committee on Federal and State Affairs. At the hearing in the House Committee, representatives from the Kansas Licensed Beverage Association, Kansas Restaurant and Hospitality Association, and the Kansas Star Casino testified in support of the bill. A restaurant owner and caterer also testified in support of the bill. The Division of Alcohol and Beverage Control (ABC) testified as a neutral conferee, offering an amendment to ensure the definition of “dispense” would not allow for self-dispensing machines.

The House Committee adopted the ABC’s suggested amendment excluding self-dispensing from the definition of “dispense” and further amended the bill to strike language relating to catered events (originally Section 3 of the bill). This language was inserted into 2015 HB 2331 (as amended by the House Committee on Federal and State Affairs).

According to the fiscal note provided by the Division of the Budget for the original bill, the Department of Revenue anticipates the bill would result in expenditures of \$18,150 for licensing equipment and updates to the liquor processing system. The fiscal note also contains information on expenditures related to notification required for caterers. The provisions dealing with caterers are no longer part of the bill, but have been included in 2015 HB 2331. Any fiscal effect associated with the bill is not reflected in *The FY 2016 Governor’s Budget Report*.