Alcoholic Beverage Control 109 SW 9th Street, 5th Floor PO Box 3506 Topeka KS 66601-3506



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Laura Kelly, Governor

MEMORANDUM

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

FROM: Debbi Beavers, Director, Alcoholic Beverage Control Division

DATE: February 14, 2019

SUBJECT: Proponent Testimony on HB 2133

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to testify in support of this bill requiring common carriers to report monthly shipments of alcoholic liquor to the ABC.

The report must include the type of alcoholic liquor shipped, the name of the shipping company, the report period dates, the consignor name and address, the package weight, tracking number and delivery date.

Reports are subject to the open records act. The bill authorizes the ABC director to request additional supporting records in writing and requires records to be kept for a two year period unless written permission for destruction has been received by the director.

ABC requests the reports to be filed electronically and have the ability to compare licensees authorized to ship directly to Kansas consumers and also to identify those shipping alcoholic liquor into Kansas illegally. There is a fiscal note attached for KDOR IT to build a portal with an interface to do this.

Currently, only wine may be shipped directly to a Kansas resident by an in or out-of-state wine manufacturer who holds a Kansas special order shipper license. ABC believes this will help us to identify who is illegally shipping alcoholic liquor into Kansas. Gallonage tax and liquor enforcement tax collections would increase if those shippers obtained the special order shipping license and paid the appropriate taxes.

Thank you for the opportunity to testify.