

Chairman Brungardt and Committee,

First I want to thank each one of you for your service and today for your time in hearing this very important issue. Approximately eight years ago my wife and I purchased a liquor store in a small town of about 2,000 people. Prior to that I was a police officer for ten years, working the last four years as a narcotics detective.

Now a lot of you might think, "Wow, what a drastic career change from being a police officer to selling liquor." Well the motto of a police officer is to serve and protect. I am still working in that capacity. I still serve and I still protect, and by that I mean I serve customers and protect the public by making sure that the laws of the state of Kansas are adhered to in my liquor store.

As the president of the Kansas Association of Beverage Retailers, I hope to convince you that the businesses who are operating in Kansas right now, paying taxes right now, and employing adults right now – should be more important to you as a Kansas legislator than the businesses who say they might come to Kansas if you change the laws. A bird in the hand is better than two in the bush. The profits that stay here in Kansas right now, the property investments, the hiring of local contractors and accountants, the use of local banks and insurance agents are all right here in Kansas right now – with every one of the 762 licensed liquor stores as a Kansan owned business.

Losing Kansas owned businesses is much more of a loss to Kansas than the 1200 clerks jobs accounted for by the proponents economic study. That study does not account for the income and investments of the owners or the long time community partners that these businesses represent. We sponsor softball teams and participate in the Kiwanis and Rotary Club. We are part of the local chambers of commerce. We are your neighbors and friends.

License Cap Issues. There is no legitimate license cap in this legislation. First, anyone will be able to get a wine and strong beer license immediately (and judging by the lack of license requirements – I do mean anyone). Grocery stores have said that these are top priority products, so they will have no concern with waiting three years to add spirits. Outlets will have wine and strong beer licenses within the first year. This de-values current liquor licenses.

Second, there is no reason to think out-of-state corporation will not wait three years to sell spirits. These businesses don't need the product now to keep their doors open, and will wait patiently to acquire these licenses until the three year period is over. This bill could have a five year wait or a seven year wait – and the limitation still is not valuable.

Third, this does not create value for rural liquor store licenses. These communities are dominated by big box out of state entities that will patiently wait three years before acquiring a hard liquor license. If they choose to jump in right away – they could buy a license anywhere in the county – not necessarily from the only store in town. In either case, the situation is that for the rural liquor store owner has no leverage and no significant value in this perceived cap.

Some people like to say that this bill is about deregulation – improving access for the customer – removing a monopoly. In fact, it is just deregulation to the benefit of ONE category

