

February 8, 2017

Members of the Kansas House Commerce, Labor, & Economic Development Committee

RE: House Bill 2822 Kansas liquor control act and retailer's licenses

This is the seventh legislative session I've seen as a liquor store owner and I can't remember a more aggressive assault on the owners of 765 small businesses. Past legislative proposals at least allowed the current licensees to recoup some of their investment by a freeze in the number of licenses, buy out provisions, territorial provision, etc. This proposed legislation does none of that. It gives the current licensees no equity for their long standing partnership with the State of Kansas. This bill will drop strong beer and wine into every corner store in the state.

The liquor stores do not have a monopoly under the current system. We have a diverse market of stores throughout the state that compete for their customers' needs. We are held accountable by a very strong penalty system that has the potential to cripple a business that does not follow the regulations. Will the ABC be able to control Wal-Mart, Kroger, HyVee, QuikTrip, etc who has an 18 year old clerk or 16 year old stock boy sneaking beer out to his friends?

This is bad legislation for your constituents. If passed, I think you'll see over 500 small business closed, with probably 300 bankruptcies. Why, you've stuck them in a business where they cannot survive. You've given 75% of their revenues to out of state corporations and quadrupled the yearly license fee. Plus, given the out of state corporations less stringent regulations. All of this, with no accommodation for the investment they've made over decades.

The "plus" for the liquor store owner is offering other products. But limited to 20% of sales. Why is there a limit? Are the Big Box and convenience stores willing to limit beer and wine sales in their stores to say 5%? Besides, we are specialty retailers and don't lobby to acquire expansion of our product line.

There are many parts of this bill and the entire UnCork Kansas idea that are bad for Kansas. It will affect not only the liquor stores, but their vendors, banks, landlords, insurance agents and employees. Please show your support for family owned businesses in Kansas by not allowing it to advance any further than a hearing.

Thanks for your consideration in this matter.

A handwritten signature in cursive script, appearing to read "Rod Blackburn".

Rod Blackburn, Bright's Liquor Store, El Dorado KS.