

STATE OF KANSAS

ALCOHOLIC BEVERAGE CONTROL
109 SW 9th STREET
PO BOX 3506
TOPEKA KS 66601-3506



DEPARTMENT OF REVENUE
PHONE: 785-296-7015
FAX: 785-291-7185
www.ksrevenue.org

GOVERNOR JEFF COLYER, M.D.
SAMUEL M. WILLIAMS, SECRETARY

MEMORANDUM

TO: Sen. Bud Estes, Chairman, Senate Committee on Federal and State Affairs

FROM: Debbi Beavers, Director, Alcoholic Beverage Control Division

DATE: February 28, 2018

SUBJECT: Neutral Testimony on House Bill 2470

Mr. Chairman and members of the committee. Thank you for the opportunity to testify, ABC is neutral on this bill.

This bill amends K.S.A. 41-308b. Section 1 adds language that would allow a Kansas microbrewery to contract with one or more microbreweries, in-state or out-of-state, to manufacture and package beer or hard cider for the microbrewery and transfer the beer or hard cider pursuant to the contract. The microbrewery who is manufacturing the beer or hard cider is responsible for complying with federal and state laws and taxes.

A Kansas microbrewery may manufacture a maximum of 60,000 barrels of beer and 100,000 gallons of hard cider during a calendar year. This bill requires that each party engaged in a contract brewing agreement must count the total amount of barrels and gallons manufactured as part of the agreement to be included in their allowed aggregate total.

Thank you Mr. Chairman.