

Written Testimony Opposing SB253

Brian Davis, Owner

John Davis Liquor Outlet

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Chairman Thompson and Members of the Committee:

My name is Brian Davis, representing Davis Liquor Outlet in Wichita. My family has been in the retail liquor industry for the better part of fifty years. My father opened his first Davis Liquor location in the 70s, I myself have been an owner since 1997, and most recently my son has entered the industry as a third-generation retailer. Needless to say, our small business is our livelihood.

One element we've always taken very seriously, both as individual owners and as members of the Kansas Association of Beverage Retailers, is our relationship with you, our legislators. Even small changes can have big impacts on day-to-day operations, so it's important to make sure we are in front of you making our voices heard, and showing you what Kansas small business owners face in this modern era of Big Box stores and online services.

It has been a very unpredictable last few years in our industry. We all knew the 2019 Beer Law would bring changes to our business as we opened the door to beer sales in grocery and convenience stores. What no one could expect was what came a year later in 2020. While the pandemic initially boosted our sales with the closure of bars and restaurants, it also negatively impacted our industry in other ways. Supply chain problems meant there was no guarantee of when we would get the products we needed, or if we would get as much as we once did. Now, three years later, it is only just beginning to feel like our industry is getting back to some level of normalcy. Because of this, it is my belief that now is not the time to introduce new liquor legislation - another new and unpredictable variable for our industry.

I'm sure many of us have tried out various food delivery apps, whether it's GrubHub, DoorDash, or UberEats. They're convenient, but anyone who uses them regularly knows they aren't perfect.

The drivers for these services are only human, and are often delivering for more than one app at a time, which sometimes means you end up getting a stranger's burrito instead of the burgers you ordered. What happens when we extend these services to include a regulated product like alcohol? We shouldn't risk these kinds of items being incorrectly delivered - whether that's being handed to a minor or left on a porch for anyone to grab. As it stands, there is no reason to believe that these third-party services are equipped to meet the standards that we are held to as liquor retailers. Do a quick online search and you will find studies that show problems including a study by the University of North Carolina, a state investigation in Boston, and another in California.

Though the proposed legislation does suggest these third-party services would be responsible for verifying the age of the recipient, as well as avoiding serving intoxicated customers, it comes down to a question of enforcement. Time and again we have heard from the Alcohol Beverage Control that they do not have as many officers as they truly need to ensure liquor laws are being adhered to. Prior to 2019, they didn't have as many as they would have liked, and adding a significant amount of grocery and convenience stores only stretched them even further. Throwing delivery on top of all that, there simply isn't going to be a reliable way to hold these third parties accountable after the product goes out our doors. Even if every infraction was caught and properly fined, there's an issue of scale. If a small business breaks the law, the resulting fine could potentially threaten the livelihood of the employees and owners alike. If a national chain receives the same fine, it barely makes a dent in their bottom line and this bill does not specify penalties that liquor stores face, and doesn't seem to cost them their permit if they are regular offenders.

At this time, alcohol delivery would chiefly benefit these large, out-of-state businesses and harm Kansas small businesses, while opening the door for over-serving intoxicated customers and providing alcohol to minors. On behalf of all the retail liquor store owners in Kansas, I am expressing my opposition to the delivery legislation proposed in SB 253.

Thank you for your time.

Brian Davis, Owner

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