



March 22, 2023

Representative Frank Hornstein
Chair, House Transportation Finance and Policy Committee
563 State Office Building
St. Paul, MN 551055

Dear Chairman Hornstein and Members of the Committee:

I'm writing as the owner of CR's Sports Bar in Coon Rapids. We are a family-owned sports bar that prides itself on a fun and family atmosphere with great customer service. We deliver food (particularly, lots of Carbone's Pizza) to customers, as the demand for the service has greatly increased post-Covid. Customers love the convenience, some love the no-contact for health reasons. As the hospitality industry tries to clamor back and adjust to the "new normal" post-COVID shutdowns, delivery services are here to stay.

We are opposed to House File 580, which would add a \$0.75 fee, mandated to go directly to consumers, for each food delivery. \$.75 cents per delivery is an extreme tax on a popular service in a recovering industry.

House File 580's delivery tax is unnecessary will greatly hurt consumers and their increasing demand for delivery. Retailers will need to substantially invest in resources to comply with the fee. Some businesses use delivery as a minor component to their business model -- in which it would not be economical for them to operationally implement the fee. **I fear the big box, chain restaurants will again, win the day, at the expense of small Mom and Pop restaurants, under this bill.**

The bottom line: This extreme fee would also come at a time when consumers and businesses can least afford it. I think our Minnesota small businesses, hospitality industry, and frankly – the consumers who are mostly picking up the tab, deserve better – and a better way to fund our roads and bridges, than this.

I strongly urge you to oppose HF 580.

Sincerely,
Jerry Johnson
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