

THE LODGING, RESTAURANT, RESORT AND CAMPGROUND ASSOCIATION

April 16, 2020

The Honorable Laurie Halverson, Chair House Commerce Committee Minnesota House of Representatives 503 State Office Building Saint Paul, MN 55155 The Honorable Gary Dahms, Chair Senate Commerce Committee Minnesota Senate 2111 Senate Office Building Saint Paul, MN 55155

Re: Alcohol To-Go Legislation

Dear Chairs Halverson and Dahms:

We write in support of legislation allowing restaurants to temporarily provide alcohol to-go during the current crisis.

Hospitality businesses support 300,000 jobs, generate \$16 billion in sales per year and remit 18% of the sales tax in Minnesota. Currently, however, these businesses are being financially crushed by this crisis and need help to survive. Hospitality businesses all across the state have had to lay off their workers and many have shuttered, some permanently. The data is startling:

- The restaurant industry lost an estimated \$324 million in sales and more than 51,000 jobs during the first 22 days of March alone;
- Between March 23-26, the National Restaurant Association surveyed 4,500 restaurant operators nationally, and found that in Minnesota, 3% of operators had already been forced to close permanently, and another 11% anticipated having to do so in the next month. These numbers pre-dated the "Stay-at-Home" Order; and
- Last week Hospitality Minnesota conducted a survey and over half of hospitality businesses told us that under current conditions they will have to close permanently within the next one to three months.

This is an economic disaster not just to these operators and their workers, but to the economy of our state and local communities which rely so heavily on this critical industry.

Allowing restaurants to temporarily provide alcohol to-go would provide a much-needed revenue infusion to businesses that are currently cash-strapped. While this is just one tool in the toolbox, we continue to hear from operators who indicate this may be the difference between whether their business makes it or not. Many other states have already moved to allow such sales given the current economic crisis. 19,000 Minnesotans have now signed a petition asking Minnesota to take similar action. Each day represents a potential for additional revenue to help stay afloat.

We ask that you take swift action to pass legislation to allow restaurants to sell alcohol to-go and provide a much-needed revenue source to these businesses.

Thank you for your consideration.

Sincerely,

Liz Rammer, President & CEO

cc: House Commerce Committee Members Senate Commerce Committee Members