



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

November 20, 2020

Hon. John Schickel, Senate Chairman
Hon. Adam Koenig, House Chairman
Joint Interim Committee on Licensing,
Occupations, & Administrative Regulations
Kentucky General Assembly
Kentucky State Capitol
700 Capitol Ave.
Frankfort, KY 40601

Dear Senator Schickel and Representative Koenig:

This letter is submitted on behalf of the Distilled Spirits Council of the United States, the national trade association representing producers and marketers of distilled spirits sold in the United States. We want to add our voice of support to that of the Kentucky Restaurant Association in support of anticipated legislation in the 2021 session that would make permanent the ability for on-premise licensees to sell cocktails-to-go. These privileges were authorized when the General Assembly enacted SB150 earlier this year and were implemented through the Governor's Executive Order during the COVID-19 pandemic state of emergency.

Many of the over 7,000 hospitality businesses across Kentucky including restaurants, taverns, bars, distilleries, retail sales operations and tasting rooms have been closed or operating under reduced capacity for months causing them to lay off employees and impacting their viability as going concerns. Just this week, action was taken further limiting operations. All of this has had a devastating impact on the over two hundred thousand people employed in these businesses in Kentucky. The concept KYRA is bringing before you, that would take the form of legislation next session, would allow these struggling businesses some relief after the coronavirus pandemic is brought under control. We believe that these establishments will struggle for an extended period until a level of public confidence and comfort returns and capacity issues are no longer necessary.

In the way of additional background, I would note for the Committee that thirty-one states and the District of Columbia have allowed this practice in response to COVID-19: CA, CO, CT, DC, DE, FL, HI, ID, IL, IA, KS, KY, ME, MD, MA, MI, MS, MO, MT, NE, NV, NJ, NY, OH, PA, RI, TN, TX, VT, VA, WA. Legislative action in Iowa and Ohio have already made these privileges permanent; Michigan's legislature extended it for 5 years and legislatures in Massachusetts, Delaware and New Jersey, among others, have taken steps to extend the practice for significant periods past expiration of any Emergency Order. We also anticipate Florida and Texas will consider legislation to make it permanent while bills have already been filed in New York and Maine for two-year extensions and many other legislatures are expected to consider similar measures

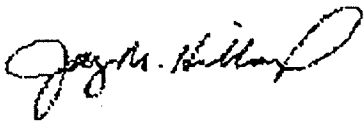
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to assist these important community-oriented businesses.

Allowing on-premise licensees the ability to sell "to-go" beverages is a logical continuation of the temporary measures that have been extended to them and it will aid these businesses in the future as they work to recover from the economic hardship brought about by the pandemic. Allowing longer term and much-needed certainty beyond any temporary relief actions is the right thing to do. At the appropriate time in 2021, we will offer further testimony in support of the anticipated legislation.

Thank you for the opportunity to present our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay M. Hibbard". The signature is fluid and cursive, with a large initial "J" and "H".

Jay M. Hibbard
Vice President Government Relations

cc: Members of the Joint Interim Committee on Licensing,
Occupations, & Administrative Regulations