



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

February 9, 2021

Hon. John Schickel, Chairman
Kentucky Senate Licensing, Occupations
and Administrative Regulations Committee
Kentucky General Assembly
Kentucky State Capitol
700 Capitol Ave.
Frankfort, KY 40601

Dear Senator Schickel:

This testimony is submitted on behalf of the Distilled Spirits Council of the United States, a national trade association representing producers and marketers of distilled spirits and importers of wines sold in the United States in support of Senate Bill 67, entitled "*AN ACT relating to alcoholic beverage sales, and declaring an emergency.*"

As you know, this proposed legislation would allow alcohol to be purchased to go or for delivery in conjunction with a meal from certain on-premise licensees and would direct the Kentucky ABC to promulgate appropriate administrative regulations for its implementation.

The hospitality industry, which represents thousands of jobs in all 120 of Kentucky's counties, has been one of the most heavily impacted during the COVID-19 pandemic. Job losses have been in the thousands, and many long-established restaurants have closed their doors permanently. Closures and reduced capacity restrictions have caused a dramatic reduction in restaurant sales. The temporary approval of cocktails-to-go that the Legislature approved in 2020 has provided a meaningful source of revenue to the many struggling hospitality businesses across the state; extending those privileges permanently is good policy to assist in what will be a long road to the industry's recovery.

As you can see from the attached map, 33 states plus the District of Columbia are currently allowing restaurants and/or bars to sell cocktails to-go as temporary measures and Iowa and Ohio have made cocktails-to-go permanent. Michigan approved a five-year extension of these privileges in 2020 and as of February 5, 2021, thirty-nine bills in 22 states have been filed providing for long-term extensions or permanent cocktails-to-go privileges.

From the standpoint of responsibility, the Distilled Spirits Council and the spirits industry is committed to responsible consumption and encourages moderation for adults who choose to drink alcohol. As the legislation makes clear, cocktails to-go are intended for

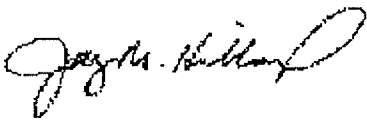
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home consumption and all laws governing alcohol consumption and the prohibitions on drinking while driving must always be observed. The proposed legislation also closely mirrors the wine-to-go legislation that has operated successfully for many years in Kentucky.

The future of the hospitality industry will be dependent upon many factors out of the control of licensees, e.g., restricted capacity measures, the uncertainty of customer comfort levels to return to eating and drinking establishments or even weather. Senate Bill 67 will be a valuable step toward recovery, and we encourage the Committee's support for in order to provide these important businesses with this measure of certainty for the future of their operations. We commend you and Senator McGarvey for your sponsorship of this important legislation.

We appreciate your consideration of our views regarding HB176. Should you have any questions, please don't hesitate to contact me by telephone at 207-831-8285, by email at jay.hibbard@distilledspirits.org or our Kentucky counsel Steve Robertson.

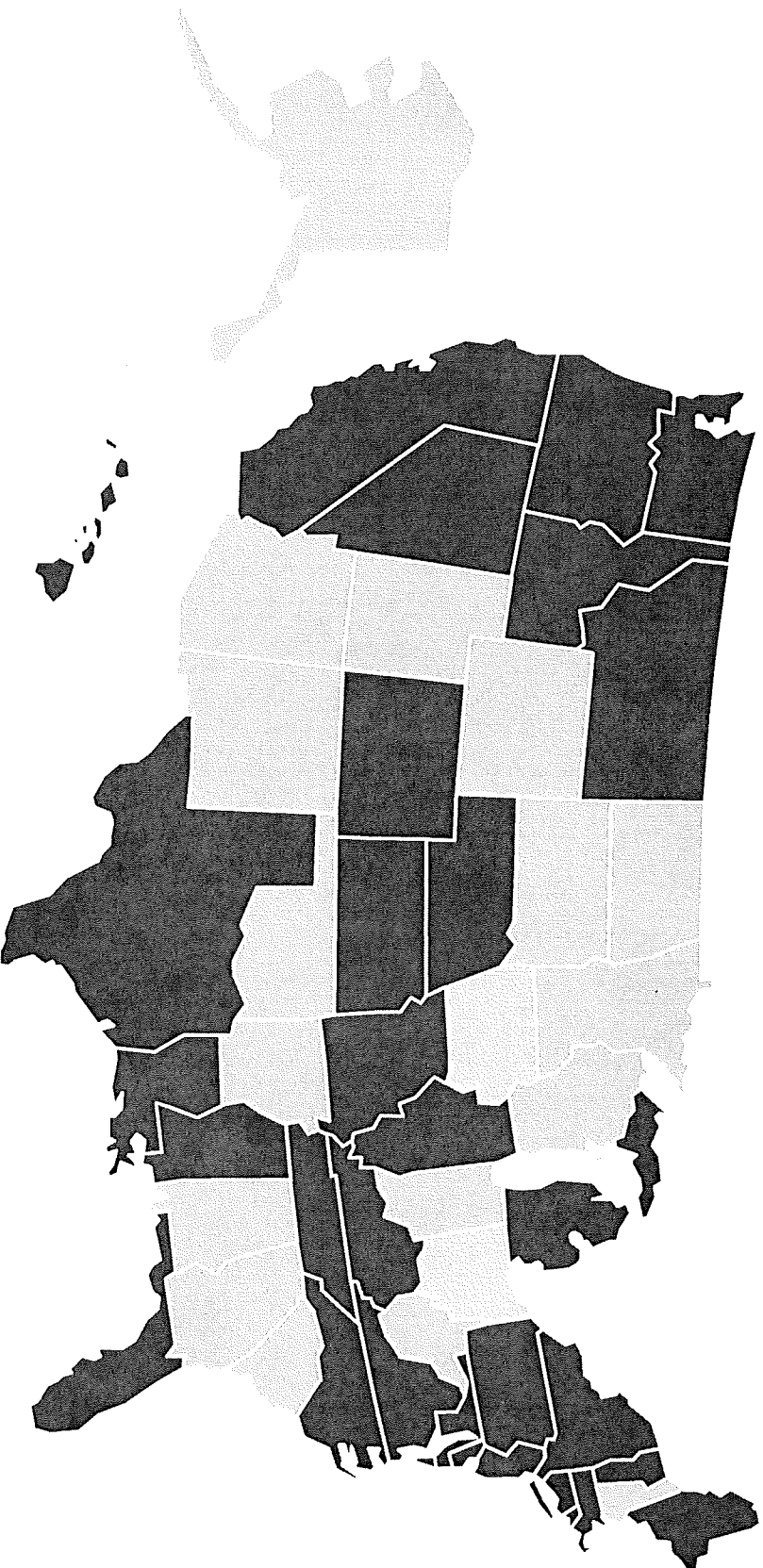
Sincerely,

A handwritten signature in black ink, appearing to read "Jay M. Hibbard". The signature is fluid and cursive, with the first name "Jay" being the most prominent.

Jay M. Hibbard
Senior Vice President State Public Policy

cc: Members of the Kentucky Senate Licensing, Occupations
and Administrative Regulations Committee

33 States and D.C. Allow Cocktails To-Go in Response to COVID-19



States allowing or expanding cocktails to-go in response to COVID-19 (31 states)

States that passed permanent laws allowing cocktails to-go (2 states)

Cocktails to-go not allowed (17 states)

* Rules and regulations vary by state.