



February 19, 2021

Hon. Dereck David, Chairman
Maryland House Economic Matters Committee
Room 231
Maryland House Office Building
Annapolis, Maryland 21401

Dear Representative Davis:

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 HB0012, entitled *"An Act Concerning Alcoholic Beverages – Sale or Delivery for Off-Premises Consumption."*

As you know, this proposed legislation would allow certain beverage alcohol licensees to sell beer, wine or cocktails-to-go as long as the order is accompanied by a food purchase, is in an original or sealed container, proof of age is provided and all local licensing board requirements are met.

The hospitality industry, which represents thousands of jobs in all twenty-three of Maryland's counties, has been one of the most 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 issued as part of Governor Hogan's Emergency Executive Orders has provided a meaningful source of revenue to the many struggling hospitality businesses across the state. Extending those privileges is good policy to assist in 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 and regulatory guidance makes clear,

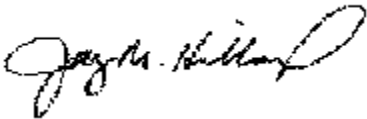
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cocktails to-go are intended for home consumption and all laws governing alcohol consumption and the prohibitions on drinking while driving must always be observed.

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. HB0012 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 appreciate your consideration of our views regarding HB0012. 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 Maryland counsel, Hannah Garagiola.

Sincerely,

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

Jay M. Hibbard
Senior Vice President State Public Policy

cc: Members of the Maryland House Economic Matters Committee