

March 1, 2021

Hon. Bill Cowsert, Chairman Georgia Senate Committee on Regulated Industries and Utilities Georgia State Capital 121-F State Capitol Atlanta, GA 30334

Dear Senator Cowsert:

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 236, entitled " A BILL to be entitled an Act to amend Title 3 of the Official Code of Georgia Annotated, relating to alcoholic beverages."

As you know, this proposed legislation would allow food service establishments licensed to sell distilled spirits for consumption on the premises to sell mixed drinks for off-premises consumption in approved containers under certain conditions and to provide for the Commissioner of Revenue to promulgate certain rules and regulations for its implementation.

The hospitality industry, which represents tens of thousands of jobs in all 159 of Georgia'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. Providing those licensed establishments with those privileges 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 lowa and Ohio have made cocktails-to-go permanent. Michigan approved a five-year extension of these privileges in 2020 and as of last week, twenty-eight states are now considering legislation 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 home consumption and all laws governing alcohol consumption and the prohibitions on

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drinking while driving must always be observed. The proposed legislation requires an accompanying food order, a tamper-proof container and any mixed drinks transported for off-premises consumption shall be placed in a locked glove compartment, trunk or other area out of the reach of the driver.

The future of the hospitality industry will be dependent upon many factors out of the control of licensees, including capacity restrictions, an uncertainty of customer comfort levels to return to eating and drinking establishments or even weather. Senate Bill 236 will be a valuable step toward recovery, and we encourage the Committee's support 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 SB236. 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 Georgia counsel Brian Hudson.

Sincerely,

Jay M. Hibbard

Senior Vice President State Public Policy

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cc: Members of the Georgia Committee on Regulated Industries and Utilities