



April 16, 2020

Dear members of the Minnesota Senate and House of Representatives:

The Minnesota Licensed Beverage Association (MLBA) represents Minnesota's independent, family-run liquor retailers, both bars and restaurants (on-sale) and liquor stores (off-sale).

Before the COVID-19 pandemic, consumers of Minnesota's liquor retailers had unprecedented choices at affordable prices - because of the current smart and balanced alcohol regulations of the three-tier system. We also have thriving local producers and distributors. Preserving this system is important to protecting and enhancing consumer choices, as well as helping local, independent retailers and local makers of beer, wine, and spirits. The three-tier system is pro-consumer as it results in increased choice and variety.

The economic importance of the hospitality industry to Minnesota's economy cannot be overstated. Over 330,000 Minnesota jobs in retail, food service, hospitality and recreational sectors – about 13 percent of the state's private nonagricultural employment – face losing hours and jobs due to the shutdown to slowing the spread of COVID-19.

Through no fault of their own, on-premise retailers have been required to close by governmental action. It is estimated that anywhere from 25% to 40% of these businesses will fail. A third of the people who have filed for unemployment come from this sector as well. Most of the businesses in this sector are relatively small, independent family-owned businesses without substantial cash reserves.

We believe in prioritizing the safety of our employees and guests, and also seek mitigation of the devastating economic effects. This is about providing additional sources of revenue for restaurants, which will assist in economic opportunities – and jobs.

We support the proposal to allow a temporary, limited change to allow current on-sale alcohol retailers to sell pre-packaged wine and beer off-sale with food orders. The MLBA Board unanimously voted to support this effort on March 21, 2020.

Seventeen other states have also temporarily changed their rules to allow temporary "take out" of beer and wine, including Iowa, Wisconsin, Texas, New York, California, Maryland, Colorado, Illinois, South Carolina, New Hampshire, and more.

Thank you for your consideration.

Sincerely,

Tony Chesak
Executive Director
Minnesota Licensed Beverage Association