



February 17, 2021

The Honorable Dereck E. Davis, Chair
& Members of the Maryland House Economic Matters Committee
Sent via email

RE: Support for HB 12

Dear Delegate Davis and Members of the Committee,

On behalf of the 1,000+ California winery members of Wine Institute, **I write to ask that the House Economic Matters Committee pass HB12 (and SB205) to make permanent to-go sales of wine, beer and spirits alongside prepared food from bars, restaurants and taverns.** If this bill passes, on-premises alcohol licensees would be permitted to continue selling alcohol to patrons in the same manner allowed since March 19, 2020 pursuant to Maryland Executive Order No. 20-03-19-02 "Expanding Alcohol Delivery and Carry-out Services". The bill requires written approval by local alcohol licensing boards in Maryland's 23 counties and two cities, and prevents those boards from imposing additional fees upon licensees for this privilege. Sales must stay within the relevant jurisdiction and cannot be delivered via unlicensed third parties.

This temporary provision has been a lifeline for many Maryland restaurants during trying times when indoor seating has been severely curtailed, and in many counties at certain times, eliminated entirely. According to the National Restaurant Association (NRA), as of December 2020 approximately 17% of restaurants nationally—nearly 110,000 of them -- have closed either permanently or indefinitely. Additional revenue from alcohol sales on each order represents an average of 10% of restaurants' off-premises sales, estimates the NRA.

We carefully term this bill "drinks to-go" rather than "cocktails to-go" since it permits wine and beer sales in single serving and bottle sizes, as well as single serving to-go cups of cocktails for licensees appropriately licensed. Said otherwise, "drinks to-go" includes wine, beer and spirits, while "cocktails to-go" suggests only spirits sales. As one might expect, our concern is with sales of wine by the single glass and bottle. While more than two dozen states allowed beer and wine to-go sales before the pandemic, usually in conjunction with the sale of food, allowing mixed drinks to-go is a new addition to state policies since March of 2020. Since last March, at least 33 other states have passed executive orders or legislation to temporarily authorize drinks to-go alongside meals delivered or sold from restaurants. To date, DC, Iowa and Ohio have made to-go sales of alcohol from restaurants a permanent change. Temporarily, Michigan has enabled such sales for five years and Virginia for one year. Many other states and localities are still considering legislation making these alcohol sales permanent.

More than 80% of all wine sold domestically is produced in California, accounting for 40% of wine sold in most US stores and restaurants. These partners in the hospitality industry have been significantly hard hit by efforts to keep the public fed and safe during the coronavirus pandemic. Likewise, the public has embraced the takeout experience to limit the number of stops they must make when picking up food and other necessities. Since this new normal is likely to stay, we respectfully request that Maryland pass HB 12 and SB205. Thank you for your thoughtful consideration.

Sincerely,

Terri Cofer Beirne

Terri Cofer Beirne
Eastern Counsel