

Representative Zack Stephenson Commerce Committee Chair Minnesota House of Representatives 509 State Office Building St. Paul, MN 55155

February 25, 2021

Dear Chair Stephenson and Members of the Committee:

For your consideration, the Duluth Area Chamber of Commerce submits this letter of support for The Drink Local Economic Recovery Package (SF 1176 / HF 1192). This collaborative bill will serve as a lifeline to those within our Chamber membership who operate bars, breweries, brewpubs, cideries, distilleries, liquor stores, restaurants, and wineries.

The COVID-19 pandemic has drastically affected the food & beverage industry in Minnesota, with more than 94 establishments closing permanently in 2020—three times as many as 2019. The hospitality industry generates more than 20% of the sales tax in Minnesota, and is essential to the heartbeat of our state economy.

Passing this bill will aid in the economic growth and recovery of our state by allowing craft beverage producers, wholesalers, and liquor stores to access increased revenue opportunities through the lessening of restrictions on to-go beverage container sizes and per-person sales limits, as well as allowing restaurants and bars to permanently sell limited amounts of beer, wine, and cocktails to-go with takeout orders. This will, in turn, lead to the rehiring of up to 100,000 hospitality jobs throughout Minnesota and a substantial infusion of income for the state's numerous food and beverage proprietors.

Supporting this bill aligns directly with several of the Duluth Chamber's 2021 Key Initiatives, which include the following:

- **COVID-19 RECOVERY:** Serve our members as a trusted source for: advocacy, information, and encouragement as we, together, fortify our business community's recovery from the COVID-19 pandemic.
- **ECONOMIC DEVELOPMENT:** Champion economic development which will enhance our community by expanding our tax base and create new jobs.
- **LEGISLATIVE ADVOCACY:** Encourage local elected officials to make decisions which create a supportive environment for doing business in our area.

The Duluth Area Chamber of Commerce is a tireless advocate for its more than 1,000 members. We must ensure that our food & beverage businesses, who contribute greatly to the economic prosperity of our state, may continue to thrive. The Duluth Chamber wholeheartedly supports The Drink Local Economic Recovery Package (SF 1176 / HF 1192), as it will contribute directly to our central mission of moving business forward.

David Poss

David Ross President & CEO, Duluth Area Chamber of Commerce