



THE BUCKEYE INSTITUTE

Removing Unnecessary Regulations is Lifeline to Many Small Businesses

Interested Party Testimony
Ohio House Commerce and Labor Committee
House Bill 669

Greg R. Lawson, Research Fellow
The Buckeye Institute

June 3, 2020

As Submitted

Chair Manning, Vice Chair Dean, Ranking Member Lepore-Hagan, and members of the Committee, thank you for the opportunity to submit testimony regarding House Bill 669.

My name is Greg R. Lawson and I am the research fellow at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

By permanently allowing Ohio restaurants and bars to offer alcohol on their carryout and delivery menus, House Bill 669 throws a needed lifeline to the small, local business owners, and their employees struggling to survive COVID-19's economic shutdown. Ohio's stay-at-home orders have hit the leisure and hospitality industries especially hard, with unemployment in these sectors outpacing other sectors **by far**. Restaurant and bar owners provide quality jobs in our communities and help anchor hundreds of Main streets and business districts across Ohio. As the pandemic's effects persist, many bars and eateries face severe revenue shortfalls and are already struggling to survive. As restaurants go out of business and their once temporary closures become permanent, their employees and our communities will suffer as unemployment rises and local tax revenues fall. So helping these business owners stay open ultimately helps Ohio.

Alcoholic beverage receipts can account for **between 20-25 percent** of bar and restaurant sales, providing consistent revenue streams and generating profits. The Buckeye Institute **urged** policymakers to allow restaurant and bar owners to offer carryout and delivery of alcoholic beverages to help them survive this economic crisis. In early April, the Ohio Liquor Control Commission agreed and implemented an **emergency rule** that allowed liquor permit holders to offer carryout and delivery for alcoholic drinks prepared on premises. The rule cast a temporary lifeline for restaurants and bars, but its two-drink maximum limited its potential.

As bar and restaurant owners begin to **reopen** they continue to face a challenging market with reduced consumer traffic and myriad new COVID-19 related safety rules. Their futures—and the future of their employees—remain in doubt. Several provisions in House Bill 669 will help remove that doubt. Making the emergency rule for alcoholic beverage carryout and delivery permanent, lifting the arbitrary two-drink limit, and expanding the areas in which a liquor permit holder may sell alcoholic beverages will go a long way toward helping local bar and restaurant owners maintain a revenue stream so that they can continue providing steady, well-paying jobs in our communities.

About The Buckeye Institute

Founded in 1989, The Buckeye Institute is an independent research and educational institution – a think tank – whose mission is to advance free-market public policy in the states.

The Buckeye Institute is a non-partisan, non-profit, and tax-exempt organization, as defined by section 501(c)(3) of the Internal Revenue code. As such, it relies on support from individuals, corporations, and foundations that share a commitment to individual liberty, free enterprise, personal responsibility, and limited government. The Buckeye Institute does not seek or accept government funding.

