

**Testimony before the
Senate Agriculture and Natural Resources Committee
Re: House Bill 669, Business Expansion and Safety Act**

**By: Mary MacDonald
Executive Director
Ohio Craft Brewers Association**

September 1, 2020

Chairman Hoagland, Vice Chairman Schaffer, Ranking Member O'Brien and members of the Committee,

I am testifying to express our support for the "Business Expansion and Safety Act" – House Bill 669 - that would ease some restrictions pertaining to the delivery, licensed permit areas and consumption of alcoholic beverages, the sale and delivery of which have provided a critical lifeline to tens of thousands of small businesses in Ohio during this time of crisis.

The Ohio Craft Brewers Association is the membership guild that represents Ohio's small independent breweries. In the past decade, our breweries have grown exponentially in number. Seven years ago, there were only 50 breweries in the state. There are now 347 breweries and several dozen more breweries in planning. Before the pandemic, our businesses directly employed more than 7,000 Ohioans and supported another 2,500 jobs in related industries. Measures like those proposed in HB 669 will help us rebuild and grow the craft brewing industry, rehire our employees and hopefully continue to spur economic development across the state.

On-premise consumption in taprooms has historically been the lifeblood of most Ohio craft breweries. The ability to sell those alcoholic beverages for off-premise consumption and delivery has quite literally kept most of our businesses afloat for the last couple of months. We don't expect business to return to "normal" anytime soon, so making the off-premise sale and delivery of alcoholic beverages permanent makes sense: it has so far proven to be an immense support for countless small businesses and will aid in restarting the economy.

Now that our venues are permitted to reopen, they are attempting to do so safely by following the regulations and ensuring proper spacing between tables and parties. This makes the economics of trying to operate at an extremely limited capacity starkly apparent: unless they are able to expand their premises to securely accommodate more customers, many will not be able to survive. This is going to be exponentially more difficult in the winter when outdoor seating become challenging, if not impossible. The margins and the finances of operating at a severely limited capacity are abysmal. Having the ability to expand the permitted premises area to allow for the safe accommodation of more customers would be a critical opportunity to help them survive.

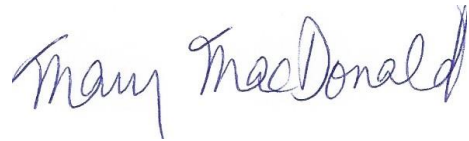
Both of these measures hinge upon reasonable modification of the existing open container laws to enable the delivery of closed beverage containers and consumption on adjacent properties. Space and social distancing have proven to be effective in combatting the spread of COVID-19. Space to expand and continuation of policies that have helped sustain our businesses through the pandemic will be vital to our future survival.

On behalf of our organization and members as well as the entire Ohio hospitality industry, I implore you to pass House Bill 669. This initiative supports businesses that were deemed essential during

the pandemic, but who were all critically impacted by the cessation of on-premise dining. Our workforce represented hundreds of thousands of Ohioans and we need all the help that we can get in efforts to stimulate the economy and get them safely back to work.

If passed, this measure will not only help to save Ohio's growing craft brewing industry, but also our bars, distilleries, restaurants and wineries, Furthermore, it will give consumers more options for enjoying locally crafted beverages either at home or safely at Ohio's taprooms. Finally, it will help generate revenue for the State of Ohio as sales taxes are an important income line item in the budget.

In 2019, Ohio craft breweries produced an estimated 1.35 million barrels of beer. That makes Ohio sixth nationally in craft beer production. Ohio's craft breweries and related industries generate \$967 million to the state economy. I strongly urge you to pass House Bill 669. It is a positive move for Ohio's craft brewers, our employees and Ohio's economy. Thank you for your time and consideration.

A handwritten signature in blue ink that reads "Mary MacDonald". The signature is written in a cursive, flowing style.

Mary MacDonald
Executive Director
Ohio Craft Brewers Association