

**Testimony of Bob Young**  
**Why I See**  
**before the**  
**Ohio Senate Agriculture and Natural Resources Committee**  
**in opposition to the Sunday sales portion of HB 674**

Thank you Chair Hoagland, Vice Chair Schaffer, Ranking Member O'Brien and members of the Agriculture and Natural Resources Committee. My name is Bob Young, and my company, Why I See, established in 2000, is Ohio's largest provider of local-option campaigns going back through 2013. Having run these campaigns for 20 years, we're in a position to speak in opposition to House Bill 674 on behalf of the many permit holders who have taken the time to ask their neighbors to support their Sunday licenses. We oppose the Sunday sales portion of House Bill 674 and anything that weakens local options, including signature requirements. The process is working exactly as intended as is.

Let me just talk briefly about how we got here. Last year, House Bill 219 was introduced in the House Commerce and Labor Committee. The title of that bill was the Sunday Alcohol, Liquor and Especially Spirits Act. As a vehicle for the national spirits industry to sell more liquor, it was aptly named, with liquor in the name twice and beer and wine conspicuously absent. Representatives of the liquor industry testified at the time that with blanket Sunday sales created in that bill, and now in House Bill 674, "you don't see an increase in overall consumption." "Overall consumption doesn't increase. The new sales come in for the distilled spirits sector." Currently many permits holders only have Sunday beer sales, or in some cases beer and wine sales, so beer and wine sales overall will actually decrease with blanket Sunday sales.

Because of the minimum markup, which is 25% on beer and wine but only 6% on liquor, this will have an industry-wide impact on retailers overall. The grocers that have liquor stores want customers to choose beer and wine over liquor, because it's a lot more profitable for them. With blanket Sunday sales, the volume sold remains the same, but profits on alcohol will decrease in total. But the market share of liquor manufacturers will increase, which is why they created the bill in the first place.

It must be pointed out that, as now, there was substantial opposition to House Bill 219, which is why it died in committee. In sponsor testimony you were told, "The only opposition I'm hearing from people is those that have the cottage industry representing business owners." That simply isn't true. There were nine opponents on the record opposing HB 219 in the House Commerce and Labor Committee for various reasons including Ohio retailers large and small as well as civic and faith-based organizations.

The Ohio retailers who have earned Sunday sales at the ballot oppose it because they will lose sales. When the amount of alcohol consumed remains steady, new sales for one retailer necessarily means a decline in sales for others. Kroger, Discount Drug Mart, Dave's, Marc's,

Heinen's, Home Buys, Winking Lizard, Grinder's Above and Beyond, Caldwell Food Center, CCI convenient stores, Muldoon's Saloon, Braido Foods, Mako's Market, Mr. D's, Mill-Wheel Tavern, Kelly's Market, Weiland's and Sparkle have earned Sunday sales at most or all of their locations. Ohio companies, providing tens of thousands of jobs including corporate jobs right here in Ohio, have followed the rules and taken the steps to do the best job for their customers. They, and Ohio generally, are benefitting from their own hard work and investment. If Buehler's, an Ohio grocery company with 14 stores, sees only a 20% drop in Sunday sales, a conservative estimate, it will cost them approximately \$500,000 per year in beer and wine sales. These are Ohio companies with their ownership and corporate jobs here in Ohio.

These are the companies going over and above. As Angela Crock of Caldwell Food Center testified, these are the companies paying above minimum wage, offering benefits to employees, and purchasing animals from the local 4-H. These are the businesses sponsoring their local schools, little league teams and fire departments. They buy and promote local because they are local. And they've all successfully worked with their communities to get their Sunday sales passed on the ballot.

Any of the 12,000 permit holders lacking Sunday licenses could take the initiative to place their Sunday sales issue before voters on the upcoming November ballot. More than 200 retail locations did, in fact, do this in 2019, and while some worked with companies like Why I See, most did it themselves. They put in the effort, and they've earned a competitive advantage over other businesses that haven't made the same effort. No one has been treated unfairly.

It's somewhat reversed when considering the same sales at similar companies with their headquarters out of state. The majority of CVS, Dollar General, Walgreens, Rite Aid and Family Dollars don't have Sunday licenses, though some qualify for grandfathered permit exceptions to sell beer. Of the 361 Dollar General locations selling beer and wine in Ohio, only two have Sunday licenses. Passing Sunday sales legislatively will be sending millions of Ohio dollars to places like Woonsocket, Rhode Island, Goodlettsville, Tennessee and Deerfield, Illinois. I would be happy to demonstrate how easily these numbers can be verified on the Division of Liquor Control website. These stores could have made the same investment as Ohio companies as far back as the 1970s. They could all take the initiative, but most of them won't. But if the state steps in and does it for them, Dollar General is going to realize a massive windfall overnight. Every additional dollar in sales by Dollar General amounts to a loss of sales somewhere else where they are already occurring.

Voter rights are also affected. As a provider of this service for twenty years, I have also heard voter concerns and reasons for supporting or rejecting Sunday sales, year after year. Usually we've won, but we've also lost these battles many times. And it's my experience that the businesses that win are usually those doing the best job. Those that fail to achieve voter support may not always be doing the same.

Sunday sales have been defeated thousands of times in the past decades. As would be expected,

there are regional biases that affect the results. These predispositions are precisely why a localized voting system was created in the first place. Of the 18 licenses with full liquor privileges in Holmes County, only two have a D6 license for Sunday wine and liquor sales. Of the 42 licenses with wine and/or liquor in Gallia County, only four have D6 licenses for wine and/or liquor. In fact Why I See put the only liquor agency in Gallia County on the ballot in 2018, and the issue was defeated 205 Yes to 251 No. Some areas of Ohio are still predominantly opposed to Sunday liquor sales. They just don't want it and have rejected it again and again.

Some areas of Ohio's largest cities are similarly opposed. In 2018 Why I See ran the campaign for Sunday sales at American Eagle on Sunbury Road, Columbus. We met with the North Central Area Commission Chair, and despite our efforts, the issue was defeated by a vote of almost two to one. Voters just didn't want liquor permits in that neighborhood expanded to include Sunday sales. Six days was enough, and in fact no permit holder in the ten neighborhoods comprising the area commission has a D6 license.

Crime statistics verify that alcohol sales have a negative impact in some communities. Statistics available for Columbus show Saturday consistently has the highest frequency of reported crimes, and Sunday has the lowest frequency of the same, which was the case every single year from 2014 through 2018, and it doesn't take into account that all reported crimes after midnight go on the next day's ledger. Thus a D.U.I. or robbery at 12:01 a.m. on a Saturday night is recorded as a Sunday crime, and yet Sunday still has the lowest incidence of crime of any day of the week.

Finally, there are numerous examples of areas where voters typically support Sunday licenses but oppose them for a particular business. One great example of this is the campaign we ran in 2016 in Butler County for Land of Illusion Scream Park, which opens only two month per year and includes an outdoor music venue. Despite our best efforts, the issue was defeated 431 Yes to 547 No. Their Madison Township neighbors are willing to tolerate loud music two nights per week, two months per year. They just don't want that extended to Sunday. Land of Illusion subsequently put the Sunday issue on the ballot and ran their own campaign in 2018, and the issue was defeated 315 Yes to 466 No. Of Ohio's 72 gentlemen's clubs with liquor permits, only 32 currently have Sunday licenses while 40 do not.

HB 219 sat in committee for almost a year before it died because it didn't have the votes for passage. It didn't have the votes in part because thousands of Ohio retail sites would be harmed by its passage, and some of those businesses going over and above for their communities would be put out of business. As a small business owner for twenty years that would be put out of business by this legislation, it frustrates me to see this same bill reintroduced and moved through the same committee in just two weeks after labeling it a COVID emergency. They're attempting to take advantage of a national tragedy to increase national liquor industry profits.

This has been a difficult, frustrating year for all of us. America is in a spiritually difficult place, and we see it every day, in the news, on television. My family hasn't been to church since March. My wife, every Sunday, watches our church service online. I just don't have it in me to

watch church in the kitchen. But it's just one more example of this year being spiritually challenging.

Proponents want this committee to treat Sunday as every other day, and while we're at it, let's just extend sales to 4:00 a.m. But Sunday is not like every other day. Even people who aren't church goers can see that. The majority of businesses with Sunday licenses choose to operate with reduced Sunday hours. Crime is lower on Sunday. It isn't just lower than Saturday, the party day. Crime on Sunday is lower than every other day of the week, at least in Columbus.

Passage of HB 674's Sunday sales provision would increase sales, but only for some, and at the direct expense of others. It will increase liquor sales, but only at the direct expense of beer and wine sales. When the Sunday sales option was created in the 1970s, Ohio took a different approach, giving voters in every community the opportunity to decide whether Sunday sales would be permitted in that community. As a result, businesses in those communities have had to reach out to their neighbors to be granted this privilege. And, like all alcohol permits, it is a privilege. The irresponsible sale and consumption of alcohol can have grave consequences. Ohio businesses like Kroger and Discount Drug Mart, Grinder's and Winking Lizard, Mako's Market and Caldwell Food Center have addressed those concerns over time and have earned the privilege of Sunday sales at most of their locations. The playing field has always been level, some are just doing a better job than others. This is how capitalism is meant to function.

Ohio companies will ultimately be among those most harmed by passage of blanket Sunday sales. We may not yet be near our worst-case scenario regarding the economy, and Ohio-based companies, and the jobs they provide, are going to miss those lost alcohol sales if Sunday sales are granted to all retailers.

Gauging the harm of taking away the rights of voters to choose, and overturning the choices they have made, is harder to put a price tag on. Should the voters in Madison Township be permitted to keep the local haunted house/concert venue from selling liquor on Sunday? Should Gallia County voters be allowed to say no to liquor stores on Sunday? Should a ten-neighborhood area commission be permitted to continue rejecting Sunday sales at the local carry-outs again and again? Because they have, and many of them will continue to say No. It is a right they have been given, and it shouldn't be taken from them.

Members of this committee, nothing regarding Sunday sales is broken. The playing field is already level. Protect voter rights and Ohio business sales by removing the Sunday sales provision from HB 674. Thank you.