



March 8, 2021

Representative Tom Stevens, Chair
House Committee on General, Housing and Military Affairs
State House
Montpelier, VT 05602

Dear Chair Stevens and Members of the House Committee on General, Housing and Military Affairs:

The impact of COVID-19 on Vermont's restaurant industry has been devastating. As the conduit to Vermont's independent restaurants, we have maintained an informed perspective to understand and advocate for meaningful support and relief.

Vermont's restaurants continue to experience looming uncertainty and are anticipating depressed business levels into 2022. As we start to imagine emerging from the pandemic, there are several key elements contained within H. 313 that would provide meaningful regulatory and financial support for the industry as we work to return to thriving versus simply surviving.

Authorizing Wholesale Pricing of Spirits Sold by the Department of Liquor and Lottery

The current liquor pricing is a barrier to the successful recovery of Vermont restaurants. Vermont restaurant are at a disadvantage when compared to neighboring states. The establishment of licensee pricing would bring Vermont in line with other control states; the proposed minimum of 10 percent below the Department's listed retail price aligns with that which is offered to Maine licensees. Generally, bars are the most profitable line of business for a restaurant; this is not the case in Vermont. In Vermont, licensees and consumers pay the same price for spirits, and due to consumer-driven market pricing, Vermont businesses are losing valuable profit that could be essential in stabilizing and rebuilding our Vermont restaurant industry.

Authorizing First- and Third-Class Licensees to Purchase Wholesale Spirits Using a Credit Card

Allowing licensees to purchase spirits from Department of Liquor and Lottery retail locations with a credit card would remove a logistical burden. This would modernize the purchasing process for licensees and would create a level playing field between consumer and licensee transaction methods.

Temporarily Authorizing the Sale of Alcoholic Beverages for Delivery and Curbside Pickup

A formal extension of the current pandemic-allowed alcoholic beverages to-go provisions would allow for a wind-down period of this service that licensees have provided, and customers have come to expect. With a long road to recovery anticipated, the proposed sunset of July 1, 2023 would allow for this.

Third-Party Platform Regulation

We are supportive of provisions included in H. 313 relating to third-party platforms. While delivery represents one of the most important segments of growth for the restaurant industry, platforms are relatively unregulated. The pandemic has accelerated demand for delivery; in [a recent survey](#) of

1,000 adults conducted by the National Restaurant Association, 70% of adults say they ordered delivery from a restaurant during the past six months and 40% had used a third-party delivery company for their delivery in the last six months. These provisions would protect Vermont's independent restaurant industry as this segment continues to grow in Vermont.

Thank you for your consideration. We appreciate your continued effort to maintain dialogue with our industry. Please do not hesitate to reach out to the VTIR Leadership Council at hello@vtir.org with any questions.

Respectfully submitted,

Suzanne Bette
Bluebird Barbecue - Burlington

Alex Crothers
Higher Ground Presents - Burlington

Jed Davis
The Farmhouse Group - Burlington, Williston, Winooski, South Burlington

Mark Frier,
The Reservoir – Waterbury | The Bench & Tres Amigos - Stowe

Christopher Karr,
The Karr Group - Killington

Crystal Maderia -
Kismet - Montpelier

Leo P. O'Reilly,
O'Reilly Business Services - South Burlington, VT