



Delivered Via Email

March 19, 2020

The Honorable Kay Ivey
Governor of Alabama
Montgomery, Alabama

The Honorable Greg Canfield
Secretary of Commerce
Montgomery, Alabama

The Honorable Vernon Barnett
Commissioner of Revenue
Montgomery, Alabama

The Honorable H. Mac Gipson
Administrator, Alabama ABC Board
Montgomery, Alabama

Dear Governor Ivey, Secretary Canfield, Commissioner Barnett, and Administrator Gipson:

I write today on behalf of more than 55 breweries and distilleries in Alabama and their more than 500 employees located throughout the state.

Like many others, I am deeply concerned about the economic consequences that are being caused by the unprecedented efforts to combat the spread of COVID-19. Many of our craft brewers and distillers, as well as many of the thousands of licensed retailers in Alabama, are on the brink of financial ruin.

The on-premise retail and beverage alcohol industries need your help, and I deeply appreciate all that the Administration is doing to help shore up the state's economy during this global pandemic.

I respectfully ask that the Administration consider and implement the following immediate measures to ensure that Alabama's small business breweries, distilleries, and alcohol retailers can attempt to weather this national health emergency and continue to provide pay and benefits to our employees

1. Remove unnecessary restrictions in the ABC's emergency rule 20-X-6-.19 (Emergency Curbside Sales Authorization)

I have personally thanked Mr. Gipson for his and his staff's work on enacting this emergency rule to allow curbside sales for all on- and off-premise alcohol licensees. However, the sales are restricted to one 750 mL bottle of liquor, one 750 mL bottle of wine, or one six pack of beer per customer. Furthermore, retailers are not allowed to sell re-packaged draft beer, also called "growlers," even though many restaurants only have draft beer in inventory.

These restrictions do not fully discourage social distancing because there are no limits for individuals that enter the premises.

These restrictions are also unfair to small, local businesses. Big box retailers like Wal-Mart are authorized to do curbside service without restrictions.

2. Suspension or deferral of state excise taxes on beer, wine, and liquor for 90 days

It is vital that these businesses maintain cash flow in order to continue operating and providing their employees with pay and benefits. Craft brewers, in aggregate, pay approximately \$20,000 per month in beer excise taxes on sales from the tasting room. This is a small amount to the state but could keep people employed as our craft beverage producers weather this crisis.

3. Expand the order deferring sales taxes to at least all Priority Category 3 food establishments

The Administration recently ordered a waiver of late penalties on small businesses who averaged \$62,500 or less in monthly retail sales. This was a welcome development for all retailers. However, I also urge the Administration to understand that the most hard-hit industries are on-premise food and drink establishments that are being required to discontinue or significantly restrict their primary lines of business.

I respectfully request that this relief be expanded to at least all Priority Category 3 food establishments, as defined by the Department of Public Health. This would immediately free up cash that could be used to keep small, local businesses afloat as they weather this storm.

4. Allow ABC on- and off-premise licensees to deliver beer and wine to customers

Alabama does not currently allow the delivery of alcoholic beverages to 21+ individuals. Implementing such a measure during this crisis would promote public health by allowing people to remain in their homes for virtually all normal purchases.

It is also vital for the success of food and drink retailers as they transition to a takeout business model.

Several states such as Mississippi and Maryland have already issued declarations to allow the delivery of alcoholic beverages by licensed establishments during this public health crisis. I respectfully ask the Administration to do the same for Alabama.

Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Roberts', with a long horizontal flourish extending to the right.

Dan Roberts
Executive Director