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September 29, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, D.C. 20515

The Honorable Steny Hoyer
House Majority Leader
H-107, The Capitol
Washington, D.C. 20515

The Honorable James Clyburn
House Majority Whip
H-329, The Capitol
Washington, D.C. 20515

The Honorable Hakeem Jeffries
House Democratic Caucus Chair
B-245 Longworth House Office Building
Washington, D.C. 20515

Speaker Pelosi, Majority Leader Hoyer, Majority Whip Clyburn, and Democratic Caucus Chair Jeffries:

As the COVID-19 pandemic continues to grip the nation, the health and welfare of the America's 88,000 wine and spirits wholesaler employees and their families, along with our local communities, consumers, and business partners, are the top priorities for the Wine & Spirits Wholesalers of America (WSWA) and our nearly 400 family-owned wholesaler businesses.

Every industry in America has experienced the devastating and overwhelming economic repercussions caused by the virus, but perhaps none has been hit harder than the hospitality industry. Over the last six months, as states and localities have implemented sweeping closures and limitations to operations of restaurants, taverns, hotels, and major sporting and entertainment events, the industry has suffered a significant blow.

Operating on razor thin margins during normal times, 30,000 restaurants have permanently closed during the pandemic, and roughly 25 percent of Americans on unemployment are restaurant workers, as staffing levels remain nearly 2.5 million jobs below the pre-coronavirus levels, according to the National Restaurant Association.

The harm to these businesses will have long-term effects on the hospitality industry, the economy, and communities across the country. More than ever, it is critical for Congress to help our on-premise retailer partners to get back on their feet and protect their livelihoods as soon as possible. **As the House of Representatives considers further relief from COVID-19, Congress should take important steps to provide restaurants and other on-premise retailers with adequate economic relief, as well as incentives for businesses and consumers to spend money at their establishments.**

The federal government collects \$5.7 billion in excise taxes annually from the alcohol industry alone, while state and local governments collect \$43.6 billion in consumer and business taxes.



This revenue helps pay for a variety of critical government expenses, including maintaining the public health and safety of citizens. Providing greater relief to restaurants and other on-premise retailers, as well as incentives to encourage business spending, is a win-win for the economy.

WSWA urges Congress to quickly pass the RESTAURANTS Act and an expansion of the deduction for business meals – particularly for those in the hospitality industry for whom such activity is a daily part of doing business – to inject much needed liquidity for on-premise retailers during this difficult time.

We urge Congress to act swiftly to help restore the hospitality industry back to its former glory -- to the benefit of workers and businesses in every corner of the country.

Sincerely,

A handwritten signature in blue ink, reading 'Michelle Korsmo', is positioned below the word 'Sincerely,'.

Michelle L. Korsmo
President and CEO
Wine & Spirits Wholesalers of America