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WSWA APPLAUDS HOUSE PASSAGE OF THE RESTAURANTS ACT

Wine & Spirits Wholesalers of America President and CEO Michelle Korsmo releases statement on the passage of the RESTAURANTS Act in the U.S. House of Representatives

WASHINGTON, D.C., 10/01/2020 – Today, Wine & Spirits Wholesalers of America President and CEO Michelle Korsmo released the below statement on passage of the Real Economic Support That Acknowledges Unique Restaurant Assistance Needed To Survive (RESTAURANTS) Act of 2020 in the U.S. House of Representatives:

"America's wine and spirits wholesalers are witnessing firsthand the daily struggles of their restaurant partners as they work around the clock to stay in business — if they're even permitted to open their doors — making The RESTAURANTS Act a good first step in providing relief to an industry in crisis," said Korsmo.

WSWA publicly endorsed the RESTAURANTS Act when it was introduced earlier this month, and Korsmo reiterated the organization's support in <u>a letter to House Democratic Leadership</u> earlier this week. Additionally, Korsmo urged House Leadership to expand restaurant relief to include the full reinstatement of the meals deduction to encourage patronage once establishments can safely reopen.

"There is no doubt that the road to recovery for the hospitality sector is a long one. It could take years for our on-premise partners to reach the economic stability they maintained prior to sweeping closures and limitations to operations due to COVID-19 – if they are able to survive the pandemic at all," says Korsmo. "While we applaud this effort, we encourage Congress to fully reinstate the business meals expense deduction to help establishments survive in the long-term, especially for a hospitality industry in crisis and for which such activity is a daily part of doing business."

Thirty-thousand restaurants have permanently closed during the pandemic and the National Restaurant Association expects 1 in 6 to close before the end of the year. The RESTAURANTS Act – introduced by Congressman Earl Blumenauer (D-OR) – was passed by the U.S. House of Representatives as part of a wider COVID-19 relief package and created a \$120 billion grant program to provide structured relief to restaurants through June 2021. Specifically, the program is targeted to smaller restaurants that are not publicly traded or part of a chain with 20 or more locations doing business under the same name.

About Wine & Spirits Wholesalers of America

WSWA is the national trade association representing the distribution tier of the wine and spirits industry, dedicated to advancing the interests and independence of distributors and brokers of wine and spirits. Founded in 1943, WSWA has more than 380 member companies in 50 states and the District of Columbia, and its members distribute more than 80 percent of all wine and spirits sold at wholesale in the United States.

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