

February 11, 2022

## **Testimony to the Senate Finance Committee and Assembly Ways & Means Committee**

My name is Andrew Rigie and I am the Executive Director of the New York City Hospitality Alliance, a not-for-profit organization representing thousands of restaurants and bars throughout the five boroughs. Thank you for the opportunity to testify before the Senate Finance Committee and Assembly Ways & Means Committee.

Our city's hospitality industry has been devastated by the pandemic. Thousands of restaurants and bars have shuttered, many more are fighting to keep their doors open, and the sector is approximately 75,000 jobs short compared to pre-pandemic employment levels in New York City alone. To make this worse, 65% of New York's restaurants that applied for the Restaurant Revitalization Fund federal relief program were shutout when the money was quickly exhausted, compounding the economic crisis our industry faces. Although there were critical policies enacted to support these businesses, including the eviction moratorium, outdoor dining, capping third-party delivery fees, among others, the road to recovery will still be long and difficult.

One essential pandemic policy was the allowance for restaurants and bars to sell alcohol to go. It was very important for so many small businesses and jobs. The policy was also extraordinarily popular among the public. When it was abruptly ended last year, it was a significant financial blow to struggling restaurants and bars that relied on that revenue stream, regardless of how much, or little it was. The public was also outraged that they could no longer get wine delivered with pasta to their door or get a "to go" margarita with their takeout food to enjoy at home.

Now is the time for the state of New York to permanently reinstate drinks to go and update our antiquated liquor laws. Allowing drinks to go will provide our restaurants and bars to again generate revenue that will assist in their recovery, and it will give them the confidence to build it into their business model for what will hopefully be a sustainable economic future. Drinks to go also increases the check amount, which may result in bigger tips and more income for hard working delivery workers, and it delivers a policy that New Yorkers overwhelmingly want and support. We urge the state of New York to reinstate this vital and popular drinks to go policy in the budget, and we look forward to working with all parties to ensure a thoughtful and responsible implementation.

Because so many of our restaurants did not receive the federal relief they need, we urge our lawmakers to ensure, and if needed, allocate additional relief funding to the hospitality industry to cover rent debt, payroll expenses and other vendor debt, etc. The relief funding must be accessible, easy to apply for, and reach small businesses that are in need.

With nearly 9% unemployment in New York City, funding should be allocated, and programs developed and administered that train New Yorkers for jobs in the hospitality industry. This sector offers employment opportunities to New Yorkers from all walks of life that will lead to job creation in the state.

Additional programs should be established to connect New York City's restaurant industry to our state's farmers and producers to spur more in-state economic activity.



Lastly, the state should focus resources on promoting our restaurants and nightlife to locals and visitors from around the globe, as a means for economic and social recovery as we hopefully emerge from the pandemic.

But let's be clear, while these are all very important policies, it is still not enough, and we rely on you, our elected leaders to do a lot more to support the recovery of the restaurant and nightlife industry. We hope to have the opportunity to further discuss enacting these and other important hospitality sector policies with you.

Thank you for your consideration of our comments. Don't hesitate to contact me with questions at [arigie@thenycalliance.org](mailto:arigie@thenycalliance.org).

Respectfully submitted,

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NYC Hospitality Alliance