

## PRESS RELEASE

## **OREGON HOUSE DEMOCRATS**

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## Restaurant Relief Act of 2020 Headed to the Governor

Allows "cocktails-to-go," caps third party delivery fees

SALEM, Ore. – The Restaurant Relief Act of 2020, legislation aimed at supporting Oregon's struggling hospitality sector, passed the Oregon House of Representatives today.

<u>Senate Bill 1801</u> makes two temporary changes to state laws to help independent restaurants:

- 1. Allows licensed independent restaurants to sell up to two alcoholic cocktails or single servings of wine "to go" when purchased with a substantial food item;
- 2. Places a 15 percent cap on fees charged to restaurants by third-party delivery services, and a 5 percent fee cap on in-person pickup orders placed through third party services.

"We are all too aware of sad stories in the news about business closures during this pandemic," said Rep. Rob Nosse (D-Southeast Portland) during his floor speech. "Some of the hardest hit businesses during this pandemic have been businesses in the hospitality sector – particularly restaurants and bars. They were among the first to close at the beginning of the pandemic, and they will also be among the last permitted to open back up to their full capacity, once this pandemic draws to an end."

Since March, more than two dozen states have enacted similar policies as a lifeline for restaurants, which traditionally see their highest profit margins on alcoholic beverages, like cocktails and wine. According to a survey of restaurants by the Oregon Restaurant and Lodging Association, 80 percent of restaurants saw a decrease in revenue between October 2019 and October 2020.

The changes created by Senate Bill 1801 are temporary and will sunset 60 days after the State of Emergency in Oregon is ended.

"I believe that setting reasonable rates for food delivery and allowing restaurants to serve cocktails to go is a way that we can give much needed help to businesses in our hospitality sector that are struggling and frankly save an industry that is an iconic part of the Oregon brand," Nosse added. "We have robust tourism because people want to see the beauty of our great state and enjoy our awesome food and beverages."

The legislation, which passed 50 to 4, now goes to Gov. Kate Brown.