

The Commonwealth of Massachus::tts House of Representatives Liate House, Boston 02133-1054

TODD M. SMOLA REPRESENTATIVE

1ST HAMPDEN DISTRICT

BRIMFIELD • HOLLAND • PALMER
STURBRIDGE • WALES • WARE • WARREN

STATE HOUSE, ROOM 124 TEL. (617) 722-2100 FAX: (617) 722-2390

Contact: Conor Welch

617-722-2100

www.reptoddsmola.org Todd.Smola@mahouse.gov Conor.Welch@mahouse.gov

FOR IMMEDIATE RELEASE June 4, 2020

House approves Restaurant Relief Act to assist Massachusetts businesses during COVID-19 pandemic

BOSTON –The House of Representatives has given initial approval to a bill that would allow restaurants to begin offering mixed drinks with food takeout orders, and to provide expanded outdoor table service with alcohol, subject to local approval.

State Representative Todd Smola (R-Warren) said House Bill 4767, An Act addressing challenges faced by food and beverage establishments resulting from the COVID-19 pandemic, would also allow restaurants to delay the filing of meals tax payments collected this year, while capping the fees charged by third-party delivery service companies for online food orders. The bill, which passed the House on a vote of 156-0 on June 3, still requires Senate approval.

The Restaurant Relief Act builds on the guidelines recently issued by Governor Charlie Baker for the state's Phase 2 re-opening, which could begin as early as June 8. Phase 2 allows restaurants to begin offering outdoor dining to customers, but continues to prohibit indoor table service for now.

House Bill 4767 authorizes local licensing authorities to temporarily approve requests for outdoor table service at restaurants, with alcohol sales, through November 30. Representative Smola said this change will allow cities and towns to bypass the current licensing review process conducted by the Alcoholic Beverages Control Commission (ABCC), which typically takes 7-10 weeks to complete. Communities would still need to notify the ABCC once an amended license is approved.

Under the bill, licensed establishments can continue to sell beer and wine for off-premises consumption for the duration of the Governor's State of Emergency, or until February 28, 2021, whichever is later. In addition, restaurants currently licensed to sell alcohol for on-premises

consumption will now be able to offer cocktails for off-premises consumption during the same time period, under certain restrictions. Mixed drinks must be sold as part of a food order in a sealed container – packaged so it is clear if the lip, cap or seal has been removed or broken – and will be limited to no more than 64 fluid ounces per transaction.

Representative Smola said House Bill 4767 addresses concerns raised by restaurants about the excessive fees charged by some third-party delivery companies during the pandemic. He noted that the bill caps delivery fees at 15% and other non-delivery fees at 5% of the online order purchase price during the State of Emergency, a restriction that will remain in effect until 45 days after the State of Emergency is lifted.

Restaurants will see additional financial relief from a temporary change in the state's procedure for collecting meals tax payments. Businesses will have the option of delaying their meals tax payments for the remainder of the year, without being assessed any late-file or late-payment penalties or interest. Businesses that choose this option will have until September 20 to submit meals taxes collected from June 1-August 31, and will not have to submit meals taxes for September 1-December 31 until January 20, 2021.

For additional information please contact Representative Smola at <u>Todd.Smola@mahouse.gov</u> or (617)722-2100.

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