

How to Contact Your Legislators:

Use the Legislative District Finder to Identify your State Senator and Two State Representatives:

<https://app.leg.wa.gov/DistrictFinder/>

A complete email roster can be found here: <https://app.leg.wa.gov/MemberEmail/>

Talking Points for Emails to Legislators

November 17, 2020

Again, your story is the most important thing you can share with your legislators. If you'd like to include industry messaging, here are the points we are communicating to state leaders:

General Industry Background:

- Prior to the pandemic crisis, Washington's small and independent breweries were thriving, with over 400 breweries contributing an annual economic impact of \$1.4 billion in Washington and directly employing 6,300 employees in urban, rural, and suburban communities all across our state
- Two-thirds of Washington breweries produce less than 500 barrels (1,000 kegs) a year. Breweries this size rely on on-premise draft sales and limited local distribution in kegs to restaurants and bars – sales channels that have been decimated by the pandemic and pandemic related regulatory restrictions - as their primary source of income
- Operational costs have increased as revenue has dramatically declined. WA breweries were largely not set up to package and distribute packaged product prior to the pandemic. They have made significant investments in canning lines and supplies, as well as increased costs for PPE and cleaning supplies, new infrastructures for outdoor cold weather dining, and a new Safe Start requirement that breweries provide meals on-site for indoor service, effective since July
- While grocery store beer sales have remained somewhat steady, most Washington breweries are small and lack the distribution network and scale to secure shelf space in grocery stores and other off-premise establishments
- Beer is a perishable product. Extended on-premise closures result in breweries needing to destroy product that has gone bad while they were unable to sell it in the marketplace
- Small brewers nationwide are experiencing supply chain challenges. Aluminum can sourcing is particularly challenging, as breweries nationwide pivot to canning product in efforts to make off-premise sales
- If Congress does not act to extend the current federal beer excise tax rate by December 31<sup>st</sup>, small brewers will see a 100 percent increase in their federal beer excise tax starting as early as January
- A July survey of Washington brewers showed that 60% of respondents believed they would permanently close within 6 months under current conditions and no additional relief

## We Need Relief:

We are asking for your support in the upcoming Legislative Session, as well as your aid in working with the Inslee administration to provide solutions for Washington breweries to weather this enormous national health crisis. Among potential relief efforts, we ask that you consider:

- Immediate distribution of the \$50 million small business grants identified by Governor Inslee, with special consideration for brewery and hospitality businesses that have been disproportionately impacted by the covid-19 crisis
- Identify and allocate additional small business grants for brewery and hospitality businesses early in the upcoming Legislative Session
- Ensure the unemployment system is secure and accessible, and identify funds to support affected brewery and hospitality workers
- Work with our guild and support legislation that will provide relief and flexibility for Washington's small breweries in the upcoming Legislative Session
- Reject any measures that would cause further economic hardship to breweries, including increases to the beer excise tax