

**Senate Judiciary Committee**  
**January 12, 2021**  
**Proponent Testimony**  
**Kansas Restaurant & Hospitality Association**  
**Scott Schneider, Hinkle Law Firm**

Chair and Members of the committee, I am Scott Schneider and I represent the Kansas Restaurant and Hospitality Association. We support the effort to extend the curbside and carryout provisions and the business liability protections passed in HB 2016. We will also be presenting several other legislative issues throughout the session to make permanent alcohol delivery, property tax adjustments, and securing our due process rights in the statutes.

Last year we represented half of every licensed restaurant in the State. Since then, we have suspended association dues, given restaurants free membership to have access to our resources, suspended insurance premiums for our workers compensation fund participants, and at the same time worked harder than imaginable chasing units of governments around educating them as best as possible on their many novel new ideas. The COVID pandemic has caused chaos in our industry.

According to a recent national survey by the National Restaurant Association, nearly 1 in 6 restaurants (representing nearly 100,000 restaurants) is closed either permanently or long-term; [nearly 3 million employees](#) are still out of work; and the industry is on track to lose \$240 billion in sales by the end of the year.

- Consumer spending in restaurants remained well below normal levels in August. Overall, sales were down 34% on average.
- Association analysis shows that the foodservice industry has lost \$165 billion in revenue March–July and is on track to lose \$240 billion this year.
- Our research estimates that for 2020, at least 100,000 restaurants will close, but the initial scope of closures won't be known until government statistics are released in the months ahead.
- 60% of operators say their restaurant's total operational costs (as a percent of sales) are higher than they were prior to the COVID-19 outbreak.
- On average, restaurant operators say their current staffing levels are only 71% of what they would typically be in the absence of COVID-19.
- In a recent [consumer survey](#), 56% of adults said they are aware of a restaurant in their community that permanently closed during the pandemic.

Regarding alcohol curbside and carryout this quote from our National CEO, Tom Bene sums up why an extension is needed and eventually a permanent fix required:

“Our survival for this comes down to the creativity and entrepreneurship of owners, operators, and employees. Across the board, from independent owners to multi-unit franchise operators, restaurants are losing money every month, and they continue to struggle to serve their communities and support their employees.”

Customers have changed their habits to conform to the new movement and spacing thoughts. To the extent state laws are barriers to our ability to provide customers with the service they desire, we would encourage reform.