

March 1, 2021

The Honorable Anastasia Williams
RI House Labor Committee
82 Smith Street
Providence, RI 02903

Re: House Bill No. 5721

Dear Chairwoman Williams:

On behalf of the RI Hospitality Association, I write to discuss the impact that House No. 5721 will have on the hospitality industry.

While we can appreciate the intent of the legislation, the financial impact on our industry would be insurmountable. This would dramatically increase our labor costs at a time when the state is mandating that we operate at reduced capacity.


As we come up to the one-year anniversary of COVID in Rhode Island, our industry continues to struggle. The most recent statistics for the restaurant industry paint a stark picture:


- According to the Bureau of Labor Statistics, the Hospitality and Leisure Industry has lost as many jobs as construction, government, manufacturing, retail, education, and health services – combined.
- 96% of Rhode Island restaurant operators have been forced to lay off employees and 85% of operators have said that their businesses will not be profitable in the next six months.
- 110,000 restaurants (17% nationwide) have closed permanently or long-term since the start of the pandemic. Many of these restaurants were cornerstones in their communities and had operated an average of 16 years.
- The restaurant industry has lost 2.5 million jobs during the pandemic. Based upon the most recent Bureau of Labor Statistics data, 42 states lost additional restaurant jobs in December and 46 states have fewer restaurant jobs now than before the pandemic.
- The foodservice industry lost \$240 billion in sales in 2020. The most recent sales data from December indicates that the industry has now entered a double dip recession.

The industry looks forward to continuing to work with you on solutions that help the hospitality industry, and our employees make it through this unprecedented crisis. If you have any questions, please do not hesitate to contact me at sarah@rihospitality.org or 401-223-1120.

Sincerely,

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