

March 25, 2026

The Honorable Mary Ann Shallcross Smith
Chair, House Small Business Committee
82 Smith Street
Providence, RI 02903

Dear Chairwoman Shallcross Smith and Members of the Committee,

On behalf of our members, I write today in opposition to H 8250.

While we respect the role that Rhode Island's distilleries play in our state's economy, this legislation creates a significant and inequitable shift in how alcoholic beverages are sold and served at off-premise events. Specifically, it allows distilleries to bypass the longstanding three-tier system and operate in direct competition with licensed caterers holding Class P licenses without being subject to the same requirements.

The Class P license was designed specifically for caterers, and it comes with meaningful obligations. Caterers must maintain a Department of Health licensed commissary kitchen, carry appropriate insurance, comply with labor laws, and meet strict regulatory standards. H 8250 would allow distilleries to access this same market without those same foundational requirements, effectively circumventing the intent of the Class P license structure.

Additionally, this bill undermines the three-tier system by allowing distilleries to sell and serve their own product at off-premise events. Caterers are currently required to purchase alcohol at retail from Class A establishments, while this proposal would allow manufacturers to bypass both wholesalers and retailers entirely. In effect, it turns distilleries into mobile bar services with a built-in cost advantage.

Caterers are already operating in an extremely competitive environment. They routinely compete with unlicensed or lightly regulated "bartending services" that do not follow the same rules around licensing, insurance, or labor. H 8250 erodes that distinction by allowing a new class of operators to enter the market with fewer requirements, further disadvantaging fully licensed, compliant caterers.

At the same time, this Committee is considering separate legislation that would finally allow Class P caterers to purchase alcohol at wholesale, a long-overdue fix that the industry has been seeking for decades. That proposal moves toward fairness. H 8250 moves in the opposite direction by granting additional advantages to manufacturers while leaving caterers behind.

The likely outcome is clear: distilleries will begin offering bundled mobile bar packages for weddings, corporate events, and private functions, undercutting existing caterers on price while operating under a different set of rules. For many small catering businesses across Rhode Island, this is not a theoretical concern, it is a direct threat to their viability.

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For these reasons, we respectfully urge the Committee to oppose H 8250.
Thank you for your time and consideration.

Sincerely,

Ryan Moot
Manager of Government Affairs
Rhode Island Hospitality Association

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