

Iowa Eating and Drinking Establishments

\$4.5 Billion
Annual Revenue

149,000
Employees

6,000+
Establishments

OPERATIONS

More than half of Iowa operators believe that business conditions will never return to pre-pandemic environment

66%

of Iowa operators say neither customer traffic nor revenues have returned to pre-pandemic (2019) levels

44%

of operators say they expect 2023 sales to remain flat

97%

of operators say inflation is a significant challenge

42%

project they will not reach pre-pandemic (2019) sales revenues

COST OF LABOR

70%

of operators say they do not have enough employees

72%

of operators say recruiting and retaining employees is a significant challenge

COST OF GOODS

97%

of operators say food costs are a significant challenge

44%

of operators say food availability is a significant challenge

FEDERAL

- **Only 850 of the 2,645 Iowa restaurants that qualified for the Federal Restaurant Revitalization Fund received funding. All funds must be spent by March 2023.**
- **The 30-month deferment period for EIDL (Emergency Disaster Loans) has arrived and the SBA estimates that 30 to 50 percent of EIDL borrowers of \$100,000 or less may not be able to repay the loan.**



(In drafting) Youth Employment Opportunities

- Support proposed updates to youth employment regulations from State Workforce Development Board
- Create “work” drive permit with the same privileges as “school” drive permit
- Extend teen work hours to 9 p.m. during school year, 11 p.m. during summer
- Allow supervised teens to deliver alcohol to tables in restaurants

(SSB 1040) Single Event License

- Establish statewide licenses for restaurants at farmer’s markets and festivals
- Eliminate the need for restaurants to purchase a separate license for each county for temporary stands at outdoor markets and events

(HF 498) Music Licensing

- Support for legislative establishment of “rules of engagement” for music licensing companies, and propose the same for state agencies who conduct compliance checks for businesses
- Require compliance officers to make an appointment to meet with a proprietor at the business premises
- Require compliance officers to identify themselves upon arrival

(HF 29) Proposed Cocktails-to-Go Changes

- Oppose proposed elimination of sealing standards and classification of all cocktails to go as “open containers”

WE PROPOSE: Collaborate with the Iowa ABD and Iowa DOT to create language related to sealing and transport of “cocktails to go” that meets the federal guidelines to ensure the state receives national highway funds.

(HF 42) No Entertainment Tax

- Oppose self-imposed entertainment district tax proposals

WE PROPOSE: Support all efforts to reform property, corporate and other tax structures to ensure the hospitality industry tax burden is decreased, not increased.



Direct Purchase Spirits

- Find a path to allow restaurants and bars to purchase spirits directly from the state
- Eliminate the 4th tier of liquor distribution to bring it inline with the distribution of beer and wine
- Enable hospitality establishments that meet minimum orders to order and receive deliveries from the state

Card Fees on Sales Tax

- Find a path for the creation of a “vendor allowance” to recoup a portion of the credit card fees charge on sales tax
- Iowa eating and drinking establishments collect \$270+ million in state sales tax
- We pay \$6.1 Million for the privilege of being a tax collector with credit card fees on tax alone
- 27 states including Illinois, Missouri, Nebraska, Wisconsin and South Dakota do this help retailers recoup a portion of this cost through a vendor allowance