



**February 10, 2021**

**The Honorable Nancy Pelosi**

Speaker

United States House of Representatives

**The Honorable Charles E. Schumer**

Majority Leader

United States Senate

**The Honorable Kevin McCarthy**

Republican Leader

United States House of Representatives

**The Honorable Mitch McConnell**

Republican Leader

United States Senate

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell,

We write in strong support of the proposed small business program that benefits restaurants, bars, tasting rooms, and other food service entities in the reconciliation process. The pandemic has impacted restaurants and bar employment more than most industries, leaving more than 2.5 million people out of work. As of December, at least 110,000 restaurants and bars permanently closed their doors and hundreds of thousands more have furloughed their staff to adapt to decreased demand and state-mandated dining restrictions. If left unaddressed, this dire situation will create a long-term employment crisis that will be experienced disproportionately by marginalized communities -- Black and Latino Americans, young people, immigrants, and single mothers -- who are likely to be employed by restaurants and bars.

The Paycheck Protection Program (PPP) passed last year provided about \$34 billion in support to the restaurant industry, but the pandemic has cost America's restaurants and bars over \$240 billion dollars in sales since March. Congress must take actions to help this industry fully recover and employ out-of-work Americans.

We urge Congress to pass the \$25 billion restaurant grant program contained in the small business title as part of budget reconciliation. This plan is a good first step to help restaurants, bars, and tasting rooms maintain payroll, weather the pandemic, and pay down debts. The proposal recognizes the unique business models of restaurants and bars, which operate on very low profit margins. For instance, the proposal allows businesses to use grants on expenses incurred between February 2020, and the end of 2021, giving restaurants and bars the flexibility they need to manage changing demand or new regulations that may come from a surging virus.

It also sets aside \$5 billion specifically for small restaurants, bars, and tasting rooms, making less than \$500,000 in gross receipts in 2019. And prioritizes the award of grants to eligible entities that are owned by women or Veterans or are socially and economically disadvantaged businesses.

Restaurants, bars, and tasting rooms provide irreplaceable cultural and economic vitality to their communities. They employ over 12.3 million people and fuel a vast supply chain of other local businesses including farmers, produce suppliers, meat purveyors, fishermen, beverage alcohol producers and more. They promote commerce and are hubs of American ingenuity. Failing to support American restaurants would cause irreparable economic stagnation to big cities and small towns across the country.

Providing the restaurants and bars in your communities the tools to fully reopen and reach full employment will be the most impactful thing you can do to help the economy recover.

Signed,

The Independent Restaurant Coalition

The National Restaurant Association

American Beverage Licensees

Produce Marketing Association

American Cider Association

Wine America

Beer Institute

Wine Institute

Brewers Association

Wine & Spirits Wholesalers of America

Distilled Spirits Council of the United States



CC:

**The Honorable Nydia Velazquez**

Chair

Small Business Committee

United States House of Representatives

**The Honorable Ben Cardin**

Chair

Small Business Committee

United States Senate

**The Honorable Blaine Luetkemeyer**

Ranking Member

Small Business Committee

United States House of Representatives

**The Honorable Rand Paul**

Ranking Member

Small Business Committee

United States Senate