

United States Senate

February 24, 2022

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

Dear Leader Schumer and Leader McConnell,

We are writing to express strong support for a robust small business relief package to be included in the Fiscal Year (FY) 2022 spending package. As Congress works to finalize the FY2022 spending package, we urge you to include economic relief for small businesses that have been impacted by the ongoing health and economic crisis caused by the spread of the novel coronavirus (COVID-19) and most recently, the Omicron coronavirus variant. Specific sectors in Massachusetts, such as restaurants, hotels, travel, gyms, live entertainment, and others businesses are struggling to stay afloat.

The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (P.L. 116-136) and the *American Rescue Plan Act* (P.L.117-2) provided vital funding for our nation's small businesses through the creation and funding of critical programs like the Paycheck Protection Program (PPP), the Shuttered Venue Operator Grant Program, the COVID Economic Injury Disaster Loan Program (EIDL), and the Restaurant Revitalization Fund (RRF). These programs administered by the U.S. Small Business Administration (SBA) offered a life raft to small businesses across the nation and in Massachusetts. In 2021, the SBA oversaw the distribution of nearly \$416.3 billion in emergency relief aid to more than 6 million impacted small businesses.¹

However, these programs were quickly depleted, leaving countless small businesses without aid to survive this winter and the recent COVID-19 surge brought on by the Omicron variant. Many of the small businesses left without aid are women and minority owned businesses who already bore a disproportionate burden of the negative economic downturn from COVID-19 and now face greater disadvantages compared to businesses who did receive funding from the limited available amounts.

A January 2022 survey by the Independent Restaurant Coalition (IRC) found that 58 percent of businesses nationwide reported that their sales decreased by more than half in December 2021 and 49 percent of businesses that did not receive RRF were forced to lay off staff because of a

¹ Fact sheet: The U.S. Small Business Administration is delivering support to America's small businesses, helping them recover from the COVID-19 pandemic (2021), <https://www.sba.gov/article/2021/nov/24/fact-sheet-us-small-business-administration-delivering-support-americas-small-businesses-helping> (last visited Feb 22, 2022).

COVID-19 related closure or lack of sales.² Additionally, small businesses have suffered financially when they have been forced to reduce hours or close temporarily in response to positive cases among employees or as a preventative measure. Even in Massachusetts, where our restaurant industry was well positioned to apply for and receive considerable RRF aid compared to other states, less than 40% of applicants were able to access this much needed funding.³

While we are grateful for the historic investment in our nation's small businesses by the *CARES Act* and *American Rescue Plan Act*, the need for aid has been far greater than the funding provided by Congress. The COVID-19 pandemic has not ended and neither should the relief for small businesses. We support the inclusion of a small business package in the FY2022 spending package that addresses the urgent need of small businesses. Investments like these will help small businesses protect their workers, pay rent, pay the bills, cover their loans, and ensure that they can survive this "new normal".

Small businesses are the engine of Massachusetts's economy. Massachusetts is home to over 715,000 small businesses that employ 1.5 million people.⁴ These small businesses account for 99.5 percent of Massachusetts businesses. If small businesses do not run, the economy does not run. Congress must be committed to ensuring that we adequately respond to our immediate needs while also charting a path to a genuinely healthier and more equitable future through a just recovery.

Our nation's small businesses cannot wait any longer for additional relief, we again urge you to include small business relief as part of the FY2022 funding package. Thank you for your immediate consideration of this important matter.

Sincerely,



Edward J. Markey
United States Senator



Elizabeth Warren
United States Senator

²January 14 - new data: Independent Restaurants and bars report bankruptcies, evictions following 22 months without federal relief: Independent restaurant coalition: Save local restaurants affected by covid, Independent Restaurant Coalition | Save Local Restaurants Affected by COVID (2022), <https://www.saverestaurants.com/news-item/january-14-new-data-independent-restaurants-and-bars-report-bankruptcies-evictions-following-22-months-without-federal-relief/> (last visited Feb 22, 2022).

³Janelle Nanos, Massachusetts restaurants received nearly \$1 billion in federal relief aid, but many were shut out - The Boston Globe BostonGlobe.com (2021), <https://www.bostonglobe.com/2021/07/12/business/restaurant-owners-left-wanting-more-federal-relief-fund/> (last visited Feb 22, 2022).

⁴Massachusetts Small Business Economic Profile, (2021), <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/08/30142027/Small-Business-Economic-Profile-MA.pdf> (last visited Feb 22, 2022).

