



November 2, 2020

To: Vermont Legislative Joint Fiscal Committee

Subject: Unallocated CRF Resources

The Vermont Chamber recognizes the challenges associated with ensuring Coronavirus Relief Fund (CRF) resources are expended before the congressional deadline of December 31, 2020. Administering distribution of CRF dollars to entities requiring relief would be a Herculean task under normal circumstances. This is made even more difficult by the compressed timeline the State is facing. Therefore, we recommend the Committee use existing Emergency Economic Recovery Grant Program frameworks and state-gathered unmet need data to target the distribution of unallocated funds to businesses with remaining unmet need, specifically providing additional aid to the hard-hit restaurant and lodging sectors.

The already established Agency of Commerce and Community Development (ACCD) and Department of Taxes (DOT) economic relief grant programs are uniquely suited to facilitate the rapid and judicious expenditure of unallocated CRF dollars. The business community's overall unmet need, which generally refers to losses not compensated for by public relief resources, remains overwhelming. This is particularly true in the lodging and restaurant sectors that continue to uniquely suffer because of COVID-19 related operating and cross state travel restrictions.

Use of Economic Recovery Grant Program framework for disbursement of unallocated funds to businesses that have existing unmet need will provide a path to avoid federal recoupment, while also serving quantifiably impacted sectors. This option becomes more agreeable considering that legislative input shaped the creation of these grant programs, including by authorizing involved state agencies to operate with the flexibility necessary to respond to rapidly evolving local economic circumstances and federal requirements.

In summary, we recommend the Committee authorize the disbursement of unallocated CRF resources to businesses with unmet need through supplemental relief grants that augment previously awarded grants. We hope you will thoroughly consider this recommendation. Please contact Charles Martin at cmartin@vtchamber.com with questions.

Sincerely,

A handwritten signature in black ink that reads "Betsy Bishop". The signature is written in a cursive, flowing style.

Betsy Bishop
President