



June 21, 2021

The Honorable Patrick J. Leahy
United States Senator
United States Senate
437 Russell Senate Building
Washington, DC 20510

Dear Senator Leahy,

Thank you for your actions to address the health and economic impacts of the COVID-19 pandemic, including your support of the American Rescue Plan Act of 2021 and the Restaurant Revitalization Fund (RRF) included therein. Vermont restaurants that were approved for RRF relief are extremely appreciative. These funds will contribute to economic recovery by preventing closures and ensuring businesses are able to fully reopen and rehire furloughed workers. Unfortunately, only a portion of the restaurant community will benefit from relief included in RRF. The program's initial funding was inadequate to address the majority of demonstrated need in Vermont and elsewhere and replenishment of program funding is necessary if RRF is to achieve its intended purpose.

Restaurants represent one of Vermont's largest economic contributors and these businesses continue to struggle as a result of economic harm caused by the pandemic in 2020 and 2021. Less than half of Vermont restaurants will ultimately receive funds from the program due to underfunding. As a result of recent legal action almost 3,000 restaurants owned by women, veterans, or socially and economically disadvantaged individuals around the nation who received approval letters from SBA will not receive funds. Oversubscription to the program has resulted in inequitable circumstances that are exasperating existing economic strife in the restaurant industry. Considering these factors, we highly recommend you support replenishment of the program.

Adding to urgency of this matter, recent grant relief programs developed by the Vermont Legislature and administered by the Agency of Commerce and Community Development contain initial eligibility criteria that excludes entities who qualify for RRF. This exclusion was based on the widespread presumption that RRF would largely address the economic turmoil experienced by restaurants. The narrowed eligibility of state-administered relief programs means many restaurants who technically qualify for RRF but will not receive RRF funds due to oversubscription, will also not be eligible to receive initial state relief grant funds unless a timely determination is issued to these applicant indicating a denial of RRF funds or a notice of the funds expiring.

Thank you again for your efforts to support public health and economic recovery in Vermont and nationally. RRF replenishment is essential to ensuring we remain on a path that further advances this recovery. We hope you will thoroughly consider the previously mentioned concerns and recommendations and we look forward to serving as an informational resource as this issue evolves. Please contact Charles Martin at cmartin@vtchamber.com with any questions.

Sincerely,

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