



July 27, 2020

The Honorable Peter F. Welch  
U.S. House of Representatives  
2187 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Welch,

Thank you for your actions to address the health and economic impacts of the COVID-19 pandemic. Your support of economic relief packages was and continues to be essential to mitigating some of the ongoing economic turmoil experienced by small businesses. As you are aware, the crisis brought on by the COVID-19 pandemic is far from over. Business owners and their employees continue to face unprecedented economic challenges.

Since the beginning of this crisis, the Vermont Chamber has remotely met with businesses from various sectors daily, in both private and group settings. These conversations continue to generate meaningful feedback that refines our advocacy efforts. One consistent message businesses have delivered to our staff is the reality that the economic recovery process is far from complete. Business leaders and public officials alike are bracing for an indefinite period of uncertainty and probable economic strife that will increasingly heighten the need for additional federal relief resources. Future relief must account for the anticipated needs of employers and employees, without stifling growth or preventing a sustainable return to relative stability. Below we have highlighted a handful of suggested actions that would greatly contribute to economic recovery in Vermont.

To work toward achieving a lasting economic recovery, we suggest you include substantial additional financial support for small businesses in future relief packages. The CARES Act was and continues to be a useful mechanism for providing support to all industries, but it is clear now that certain sectors are disproportionately impacted by the economic decline. In particular, Vermont's lodging and restaurant sectors are operating in a limited fashion and would greatly benefit from an extension and modification of the Paycheck Protection Program (PPP), including for increased non-payroll expense use. Additionally, the lodging and restaurant sectors need an immediate rescue package to ensure their long-term viability which is vital to the economic health of our small, rural communities. We also recommend amending PPP eligibility to include 501(c)(6) organizations who are often on the frontlines of assisting with economic recovery, expansion of the Employee Retention Tax Credit, and a replenishment of State administered aid programs that depend on federal funding sources.

Reopening, when appropriate from a health and safety standpoint, is contingent upon the ability for employers to successfully call employees back to work. Because many workers presently earn more through unemployment benefits than they would at work, we suggest revising the current weekly Unemployment Insurance (UI) benefit to better incent a return to workplaces that are able to safely operate. It is logical that many employees will choose to continue drawing the most lucrative income source available, and while a job offer does disqualify an employee from receiving these augmented

benefits, few employers wish to be placed in the difficult situation of having to provide the Department of Labor with evidence of a return to work offer that disqualifies their furloughed employee from another dependable income source. When determining future UI benefits, we highly encourage you to develop a middle ground that does not create an incentive to stay out of work.

Financial assistance for childcare and K-12 educational institutions is another key component of ensuring workforce availability. The reopening of the economy must be safe and guided by public health officials who have the difficult task of developing safety recommendations and requirements. Childcare providers and schools are facing increased fixed costs as they attempt to implement public health guidance while mitigating declining revenue. We suggest Congress provide targeted funding to ensure that schools and childcare providers can obtain the resources necessary to safely reopen. Without functional childcare and education options, much of the workforce will have no choice but to remain at home indefinitely.

Another reoccurring request the Vermont Chamber has heard from businesses is the need to implement temporary liability protection against unwarranted lawsuits. This protection would ideally provide employers who comply with public safety guidelines a safe harbor from frivolous lawsuits. Providing this protection is especially meaningful to small businesses that are often unable to afford fulltime legal counsel. This protection is critical to Vermont's small businesses that have implemented every possible workplace policy to protect employees and ensure continuous operations.

Importantly, revenue shortfalls at the state and local levels have created extremely difficult circumstances for officials operating public agencies. If state government is unable to replenish these shortfalls, harmful cuts to public programming or significant tax increases will undoubtedly occur. Either, or a combination of these scenarios, will exasperate the ongoing economic downturn. The provision of additional, targeted aid to state government would help to mitigate this likely problem, while better enabling long-term recovery. Separate funding for reskilling and return to work or job connection assistance programs would also greatly contribute to strengthening available workforce and aid in state government ability to contribute to economic recovery. We recommend Congress also consider providing resources for programs directly related return to work and reskilling.

The Vermont Chamber of Commerce is appreciative of your consideration of these recommendations. We also deeply appreciate your ongoing dialog with the business community during these turbulent times. Please contact Charles Martin at [cmartin@vtchamber.com](mailto:cmartin@vtchamber.com) with any questions.

Sincerely,



Betsy Bishop  
President