



December 14, 2020

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

Dear Congressman Welch:

Thank you for your actions to address the health and economic impacts of the COVID-19 pandemic, including your support of legislative relief packages signed into law. While much of the business community has benefitted from relief provided, it is certain that Vermont businesses will need more help to provide a bridge to a post-pandemic economy.

The incoming Biden Administration has indicated their intention to address the economic impacts of COVID-19 and secure a strong national economy with greater predictability and improved international trade relations. We are encouraged by this prospect but understand that significant legislative action, supported by multiple stakeholders, is necessary to ensure the future of Vermont's economy. The paragraphs that follow highlight some of the areas we look forward to collaborating on in the future.

Vermont businesses continue to suffer from the economic impacts of the pandemic. As of early November 2020, the Vermont Agency of Commerce and Community Development estimated the existing unmet need of businesses to be above \$600 million, through September 30. This figure represents the remaining need that exists after all federal resources provided through the CARES Act were expended. We ask that as you deliberate over additional funding that you make the funding flexible for both lost revenue and future expenses, specifically for businesses. We are particularly grateful for the small state minimum and hope that similar thresholds to account for rural states with comparatively low populations are established in future relief packages.

The Paycheck Protection Program (PPP) provided essential resources for businesses struggling to meet payroll and other financial obligations because of COVID-19 operating restrictions and the resultant economic downturn. Businesses are grateful for this relief, though subsequent interpretations have ruled that expenses paid for through PPP are nondeductible for tax purposes. We believe this is contrary to Congressional intent and urge you to correct this in the next relief bill. The ability to deduct PPP expenses would provide additional liquidity for struggling businesses. Our membership is also concerned about the potential for increased insurance costs and financial risk that can result from a lack of meaningful liability protections.

In future relief packages, we ask that you include protection from liability for business entities that operate in compliance with applicable COVID-19 public health guidance.

For immediate and long-term economic health, Vermont's economy would greatly benefit from additional federal investment in child care infrastructure. While child care shortfalls impacted Vermont prior to the pandemic, the last several months highlighted the severity of the issue. In a recent study of several states, the U.S. Chamber of Commerce determined that shortfalls in child care infrastructure resulted in between \$479 million to \$3.47 billion in estimated annual losses for those state's economies. We recommend that additional congressional action be taken to support child care workforce growth and enable more child care providers to enter the market.

Broadband infrastructure in Vermont is another area that requires considerable additional federal investment. Roughly 25 percent of Vermont addresses lack internet connectivity sufficient for basic work and learn from home needs and telehealth access. The Vermont Chamber recognizes the distinction between emergency connectivity needs and the long-term economic health that universal broadband access will secure, and we hope you will consider approaches that address these issues. Providing additional federal resources to support comprehensive broadband buildout would add to the meaningful investments made in 2020 and strengthen Vermont communities during this crisis and into the future.

Lastly, as advocates for the economic health of Vermont, we recognize the wasted opportunity failed national immigration policy has caused. Breakdowns in our immigration system, deliberately imposed or resulting from inaction, including restrictive changes implemented over the last four years, discourages economic activity, and restricts workforce development. An immigration system that meets the needs of our economy and reflects Vermont's values is essential to maximizing our true economic potential. We hope you will work to significantly increase opportunities for legal immigration. Doing so is essential to our local communities and the economic future of Vermont.

Thank you for your consideration of the above suggestions. We appreciate your willingness to maintain continuous dialogue with Vermont businesses during these turbulent times. Please contact me with any questions.

Sincerely,

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

Betsy Bishop
President