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FARE Idaho's Response to the COVID Relief Bill

Boise, Idaho (December 21, 2020) - FARE Idaho releases the following statement on Congress's new deal on COVID relief aid, which provides no direct funds to independent restaurants and bars:

Although we are grateful to our Idaho representatives for seeking relief for our Idaho small businesses, the current COVID recovery bill falls short of providing restaurants, bars, and our employees, a long-term solution. The small changes to PPP funding for independent restaurants will buy time for Congress to negotiate a more equitable and robust plan.

The PPP qualifier treats all businesses with one fiscal quarter >25% revenue loss in 2020 as if the impact from this pandemic were the same regardless of financial damage. Thousands of restaurants and beverage establishments have experienced revenue losses that exceed 50%, some as high as 80% over the year. Billions will be sent to businesses that faced minimal impact in one quarter but are doing fine over the year, some could have overall revenues that exceed 2019. Restaurants and bars deserve better from our federal leaders, and we will keep fighting to pass the Restaurants Act early in 2021.

The Restaurants Act is cosponsored by 53 members of the Senate from both parties and it passed the House in October. Over 300 Idaho businesses including small and large farming operations, food and beverage producers, and countless restaurant and bar suppliers signed a letter asking our Idaho delegation to support Idaho restaurants and bars by supporting the Restaurants Act. We will keep working to see this critical commonsense legislation happen in early 2021.

We just received written text with concrete details, so we are working through the specifics, but here are some of the important highlights:

- The restaurant and hospitality industries will be able to get a special award amount that is 3.5X average monthly payroll, compared to 2.5X for other industries.
- Up to 24 weeks to use funds.
- Simplified process for loans under \$150k
- Demonstrate at least 25% reduction in gross receipts in a single quarter
- New entities may receive loans of up to 2.5x the sum of their average monthly payroll costs
- Expanded list of eligible expenses, including supplier costs, PPE, and modifications for outdoor dining.
- Businesses that receive PPP will be able to take tax deductions for the expenses covered by forgiven loans
- A few set-asides intended to help smaller, independent businesses including \$15B PPP set-aside for lending through CDFIs and other community-based lenders that will help expand access, and for small businesses with 10 or fewer employees.
- \$300 a week federal unemployment subsidy until 3/15/21, extend from 26 to 50 weeks of overall jobless benefits
- \$15B for venues, a big win and huge effort by Eric Gilbert/NIVA
- Indefinite extension of lower excise tax rates for beer, wine, and spirits manufacturers.
- Full write-off of restaurant & bar food & drink expense

About FARE Idaho:

We unite our Idaho food and beverage communities to ensure that independents get a seat at the table with an opportunity to collectively impact positive change within their industry. We connect, align, and promote the shared interests of Idaho's independent restaurants, family farms, and food and beverage businesses. Our goal is to advance independent businesses, increase our financial success, and improve the conditions of those who work in our industries.