

December 10, 2021

The Honorable Senator Patty Murray 154 Russell SOB Washington, D.C. 20510

Dear Senator Murray:

On behalf of the Washington Retail Association (WR) representing more than 4,500 storefronts in every corner of Washington State, I am writing to urge you to consider expanding eligible recipients of the Restaurant Revitalization Fund (RRF) grant program to include small retailers. Small retailers in Washington and across the nation continue to struggle to survive and recover from the ongoing pandemic. As the Small Business Committee works to replenish funding for the grant program, we encourage you to broaden it in a way that would provide much needed aid to America's small retailers.

Washington State is home to over 82,000 retail establishments supporting over 1 million jobs. On a national level, retail is the country's largest private-sector employer, contributing \$3.9 trillion to annual GDP and supporting one in four U.S. jobs — 52 million working Americans

The Restaurant Revitalization Fund has allowed restaurants, bars, breweries and other food service establishments to keep their doors open with grants provided by the program. The success of the RRF has necessitated the need to replenish funding. According to the Small Business Administration's program reports, 3,247 restaurants in Washington State received funding. The grant program has made a meaningful impact on over 100,000 restaurants nationwide. Unfortunately, small retailers who face comparable economic hardships related to the pandemic have not received similar assistance.

According to an independent September 2020 <u>economic report from Yelp</u>, retailers and restaurants were two of the hardest hit industries by the pandemic. The data shows that closure rates - both permanent and temporary - were only slightly higher for restaurants than retailers. Certain types of retailers, such as apparel and footwear, furniture and sporting goods stores saw drastic decreases in revenue. Small retailers, like many small businesses across all industries, applied for loans through the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan (EIDL) program. However, there has not been a grant program similar to the RRF to provide direct aid to struggling small retailers. Meanwhile, they continue to face a lack of working capital and access to capital markets, making them unable to maintain their workforce, invest in the business and ultimately, continue operations.

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We recognize the purpose of the RRF is to provide direct financial assistance to the nation's struggling restaurants. Our intent is not to repurpose the program for the sole benefit of retailers. However, we believe that simply expanding the pool of eligible grant recipients and a modest increase in funding would have profound impacts on the economy. Main Street businesses are critical to the local communities they serve. Their inclusion in the RRF would help preserve jobs and spur the nation's economic recovery.

Thank you for your consideration, and we look forward to working with you on this issue.

Sincerely,

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Renée Sunde President and CEO Washington Retail Association