

MOTION BY SUPERVISORS HILDA L. SOLIS AND
SHEILA KUEHL

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Support for the RESTAURANTS Act of 2020 and Related Proposals

Independent restaurants and small businesses are integral to the economic, social, and cultural fabric of communities throughout Los Angeles County (County). These independent and small businesses anchor our communities, contribute to the historical identity to our communities, and invigorate development in every corner of the County. Independent restaurants are vital to the U.S. economy, they help secure employment of 11 million workers across 500,000 small businesses, as well as up to 5 million jobs through their supply chains. Meanwhile, they are also responsible for employing a labor workforce that is dependent on jobs with low barriers to entry for their livelihood.

Independent restaurants are dealing with profound uncertainty in the midst of the COVID-19 pandemic and a shuttered economy. Due to the pandemic, restaurants have been struggling to survive with limited business transactions to take-out and delivery. Recent federal funding for small businesses to mitigate the economic fallout of the

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SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

HAHN _____

BARGER _____

pandemic has not been sufficient for the restaurant industry. In particular, the Paycheck Protection Program (PPP) delivered just 8.1% or \$42 billion out of \$659 Billion of its funds to food and accommodation businesses. The most vulnerable independent restaurants struggled to gain equal access under the PPP program and other federal aid efforts.

On June 15,2020, U.S. Representative Earl Blumenauer (D- OR-3) introduced H.R. 7197, the Real Economic Support That Acknowledges Unique Restaurant Assistance Needed to Survive (RESTAURANTS) Act of 2020 - which would provide resources for independent restaurants to deal with the long-term structural challenges facing the industry caused by of the COVID-19 pandemic and ensuing economic fallout. On June 18,2020, U.S. Senator Roger Wicker (R-MS) introduced S. 4012, the Senate version of this bill. Specifically, this bipartisan proposal would establish a \$120 billion Revitalization Fund to support hard-hit independent restaurants. To qualify, recipients must certify that current economic conditions make the grant request necessary, acknowledge that funds will be used to retain workers or make other payments, that the recipient is only applying for one grant, and that recipients must not be licensed as a publicly traded company or part of a chain with not less than 20 locations. H.R. 7197/ S. 4012 would provide grants to qualified applicants that could be used for the costs of running a restaurant - including wages, rent, mortgage, employee benefits, and other essential costs associated with the pandemic.

The COVID-19 pandemic has affected independent restaurants and small businesses throughout this country, and it is important that the Board supports legislation that assists these businesses that have been the hardest hit by the pandemic

and unintentionally left out over recent federal aid efforts.

WE, THEREFORE, MOVE that the Board of Supervisors direct the County's Washington, D.C. advocates to support proposals, including the RESTAURANTS Act of 2020 (S. 4012 and H.R. 7197), that provide independent restaurants and small businesses with direct assistance and relief from the COVID-19 pandemic and ensuing economic fallout.

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