## CHRIS VAN HOLLEN

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## **United States Senate**

APPROPRIATIONS

BANKING, HOUSING, AND
URBAN AFFAIRS

BUDGET

**FOREIGN RELATIONS** 

August 6, 2021

The Honorable Charles Schumer Majority Leader United States Senate Washington, DC 20510 The Honorable Mitch McConnell Minority Leader United States Senate Washington, DC 20510

Dear Majority Leader Schumer and Minority Leader McConnell:

I write to you regarding the Restaurant Revitalization Fund (RRF), which was established by the American Rescue Plan to provide critical relief to restaurants, bars, and other small businesses in the food and beverage services sector. In light of the extraordinary demand for the program, I urge you to replenish the RRF to meet the current need among eligible applicants.

The food and beverage industries have been among the hardest-hit by the COVID-19 pandemic, with restaurant and food service sales down \$280 billion from expected levels and restaurant jobs down 1.7 million from pre-pandemic levels. Even as restrictions are being lifted and the economy continues to rebound, restaurants are only just beginning to recover from the devastating economic impact of the pandemic. In Maryland and across the country, restaurants continue to experience decreased sales, staffing shortages, and significant debt burdens. With the rise of the Delta variant, reservations nationwide have declined in recent weeks, as customers have exhibited increased hesitancy about dining indoors. Numerous restaurant owners in Maryland have told us that they need federal relief to recover from the past 17 months and navigate the uncertainty that lies ahead. Many of these businesses may close their doors permanently if they don't receive help.

The \$28.6 billion RRF has already started working to keep tens of thousands of these establishments across the nation open, and has provided a lifeline to over 2,000 businesses in Maryland. However, demand has far outstripped the available funding. On July 2, 2021, Small Business Administration (SBA) Administrator Isabel Guzman announced the closure of the RRF program. SBA reported that they had received more than 278,000 eligible applications requesting a total of \$72.2 billion in funding. As of June 30, 2021, approximately 101,000 of those applications had been approved, leaving over 177,000 thousand businesses out in the cold, including over 3,300 businesses from Maryland.

I urge you to bring up for a vote S. 2091, the *Restaurant Revitalization Fund Replenishment Act of 2021*, which would provide the RRF with an additional \$60 billion in funding to meet the outstanding demand for the program. Maryland's restaurants play a major role in the state's economy,

employing over 259,000 people prior to the pandemic and spurring over \$13 billion in sales in the state. Failing to provide restaurants and bars with the relief they need could bring another wave of restaurant closures, jeopardize jobs, damage already tenuous supply chains, and harm local communities.

Thank you in advance for your attention to this urgent matter.

Sincerely,

Chris Van Hollen United States Senator