March 15, 2020

The Honorable Mitch McConnell The Honorable Chuck Schumer
Majority Leader Democratic Leader
United States Senate United States Senate
Washington, D.C. 20515 Washington, D.C. 20515

Dear Majority Leader McConnell and Democratic Leader Schumer:

On behalf of the National Restaurant Association, I write to urge the Senate to continue working together in a bipartisan manner to respond to the economic impacts created by the spread of the COVID-19 global pandemic. We appreciate your commitment to ensure the health and safety of all Americans during this unprecedented public health emergency.

The National Restaurant Association is the leading business association for the restaurant and foodservice industry, representing more than 15.6 million employees, nearly 10 percent of the nation's workforce. The restaurant industry is the second-largest private sector employer in the nation, with over one million locations across the country, 90 percent of those being small businesses, making it a vital part of the U.S. economy.

Our industry has taken ongoing steps to prioritize the health and safety of both our employees and our customers who dine in or enjoy a meal through delivery or carryout. Restaurant investments in training and certification programs, like ServSafe, ServSafe Workplace, and ServSuccess, help ensure that Americans can enjoy a pleasant and safe dining experience. Additionally, we are closely coordinating with federal, state, and local health officials on how best to safely serve our communities during this crisis.

This week, the Senate will likely consider H.R. 6201, the Families First Coronavirus Response Act. We applaud the bipartisan efforts of the House to create a government-backed response that would enable businesses to provide paid sick leave to our employees who may be diagnosed, quarantined, or caring for a family member suffering from coronavirus.
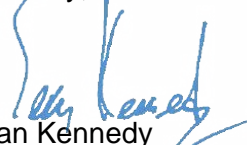
However, the mechanism to provide this service in the House bill is that small business owners cover the cost of the paid leave, and then recover those funds later through a federal tax credit. This approach will put tremendous pressure on restaurants, many of which do not have the cash flow to provide for this mechanism. As you are well aware, the precipitous drop in restaurant traffic has many operators considering whether they can stay afloat. The approach of the House, if enacted, will likely force many restaurants to close their doors and cease operations. We strongly urge you to change the structure of this bill to bring the administration of employee paid sick leave within the federal government and not place it on businessowners.

Looking beyond this legislation, we appreciate your commitment to developing timely, comprehensive and targeted economic recovery measures focused on addressing the economic fallout of the coronavirus. Among those that we are particularly interested in are:

- Assistance in allowing businesses to defer mortgage, lease and loan obligations;

- Tax credits for businesses that are retaining employees;

- Targeted grants that would go directly to businesses;

- Assistance in allowing businesses to delay, defer, or forgo tax obligations;

- Expanded access to effective, efficient and affordable federal and conventional loans;

- Fixing the Qualified Improvement Property (QIP) technical correction, so businesses can (a) amend their returns and receive money back that they effectively overpaid in taxes, and (b) receive the benefit of bonus depreciation, as a stimulus measure.

Each day, Americans choose restaurants to nourish and sustain themselves and their families. We are woven into the fabric and essence of local communities across the nation, and we are dedicated to serving our customers in every way possible during this pandemic. There is a tremendous need for bold policy actions from Congress to enable us to continue this role in the months to come. We appreciate your leadership and look forward to supporting your efforts in any way possible.

Sincerely,

Sean Kennedy
Executive Vice President, Public Affairs