



Congress of the United States
House of Representatives
Washington, DC 20515

Testimony Before the House Committee on Small Business: “2021 Member Day Hearing”

Chairwoman Velazquez, Ranking Member Luetkemeyer, thank you for the opportunity to testify before you today. Small businesses in my community and in communities across the country have been saved because of the work that you have done in this Committee. Chairwoman Velazquez, your extraordinary leadership in particular was absolutely critical in avoiding a Great Depression. The Congress, indeed the country, owes you a debt of gratitude.

But as you well know, the work is far from over.

As the primary author of the RESTAURANTS Act, which created the Small Business Administration’s Restaurant Revitalization Fund, I am testifying before you today about the urgent need to replenish the Restaurant Revitalization Fund to allow all eligible applicants to receive needed relief.

It was clear at the beginning of the pandemic that restaurants, bars, and caterers would be some of the hardest-hit small businesses of any sector. In April 2020, 5.5 million restaurant workers lost their jobs, accounting for more than a quarter of total job losses in the month. Indoor dining restrictions, limited capacity, and the public’s personal health concerns further prolonged restaurants’ challenges. It was estimated that 85% of restaurants could go out of business permanently without federal assistance.

I introduced the RESTAURANTS Act in June 2020 and worked with both my Democratic and Republican colleagues to build a coalition of support for the \$120 billion Restaurant Revitalization Fund contained in the legislation. An independent analysis found that the Fund would generate more than a two-to-one return on investment and bring back millions of lost jobs. The Restaurant Revitalization Fund was finally enacted as part of the American Rescue Plan Act, providing \$28.6 billion for restaurants, bars, and caterers.

The Small Business Administration opened the Restaurant Revitalization Fund on May 3 and received an unprecedented level of applications from small restaurants, bars, and caterers. Within weeks, the Restaurant Revitalization Fund program had received more than 362,000 applications with a total of \$75 billion in funding requested—nearly triple available funding.

The Small Business Administration was forced to close the program to new applicants on May 24, citing insufficient funding from Congress. While approximately 100,000 restaurants, bars, and caterers have received \$27.5 billion in funding, there are hundreds of thousands of restaurants and millions of employees whose futures hinge on this Committee's ability to replenish the Fund.

I have introduced bipartisan, bicameral legislation to replenish the Fund with \$60 billion in additional aid, enough to cover all outstanding applicants and allow the Small Business Administration to continue its outreach to hard-to-reach communities. In fewer than two weeks, the legislation has already garnered nearly 150 bipartisan cosponsors and has broad support from every link in the \$1 trillion restaurant supply chain.

There is nothing more central to communities large and small than their local restaurants. From first-time job holders to classically trained chefs, restaurants support an array of workers at every stage of their career. They are integral to each of our congressional districts and they are still hurting. One or two good months doesn't make up for more than a year of losses or protect these jobs.

It is critical that this Committee quickly come together to replenish the Restaurant Revitalization Fund. Without it, many of our beloved institutions will be lost forever.