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The Honorable Arnie Roblan The Honorable Paul Holvey

Co-Chairs Roblan and Holvey and members of the Joint Committee. My name is Johnell Bell and I am the President and Founder of Espousal Strategies, a small business whose focus is on government, public and community affairs. I am also a member of the National Small Business Association Leadership Council, the nation's oldest small business advocacy organization representing over sixty-five thousand small businesses nationally.

During the heart of one of our nation's most difficult periods---WW II, President Roosevelt stated the following:

"The point in history at which we stand is full of promise and danger. The world will either move forward toward unity and widely shared prosperity - or it will move apart."

Members of the committee, we find ourselves at the fork in the road once more. The widespread COVID-19 pandemic in just a few short weeks has crippled the society in communities throughout our state. Small businesses who were thriving and experiencing some of the greatest economic prosperity in recent history are now having to make the very difficult decision to close their doors.

Oregon has always been fueled by the hard-working women and men of the small business community. These leaders hire people from our communities, invest in our schools and nonprofits, and are beacons of hope.

Simply put, our ability to come out of this stronger than before rests squarely on how we collectively come up with solutions to help small businesses --- these are sole proprietors, independent contractors, barbers and hairdressers, and those with 1 to 50 or 50 to 100 employees-- survive during this unprecedented time.

To this end, I encourage you to make priority the following recommendations:

- 1. Establish an immediate moratorium on commercial evictions and commercial rent payments.
- 2. Institute payroll tax relief/holiday to put much needed money into the pockets of both small business and their customers. Further, extend the 2020 tax filing deadline and postpone quarterly payroll tax payments, and institute a moratorium on penalties and fees.
- 3. Create and fund an emergency small business relief fund that provides direct financial assistance to help businesses meet payroll obligations, fixed expenses, and maintain their supply chains and inventory. These loans and grants need to be easy to apply for and

have low interest rates with realistic payback terms. They also need to be available in critical languages like Spanish.

- 4. Supplement the <u>Governor's Strategic Reserve Fund</u> with additional resources for onetime grants to businesses impacted by the downturn.
- 5. Create tax credits to incent small businesses to retain their employees and help their employees pay for childcare.
- 6. Make sure that construction is considered an essential service. We need to keep these contractors and the workers they employ working. While we employ strategies like social distancing to keep workers safe.
- 7. Encourage government partners—local, regional, and state governments should avoid freezing contracts with small business vendors and prioritize opportunities to support small businesses through procurement. Require all state agencies to prompt pay invoices of small firms (and especially COBID firms with 50 or less employees) within 30 days. Currently, many state agencies take up to 90 days to pay contractors for work performed. Now more than ever small businesses need to be paid promptly to maintain cash flow.
- 8. Finally, a significant economic stimulus needs be crafted and ready here in Oregon. We need to be concerned about flattening the curve on economic destruction

The time now calls for big action to address the truly vast and acute needs of the thousands of small businesses that have been impacted. It needs to be simple, with a minimum of paperwork and red tape, to ensure businesses with limited administrative capacity can access them quickly. And this aid must come in the form of direct assistance to small/medium businesses and their employees. Our collective goal must be to keep these businesses solvent.

Thank you.