



March 18, 2020

The Honorable Arnie Roblan

The Honorable Paul Holvey

Co-Chairs Roblan and Holvey and Members of the Committee:

In a recently completed poll, Built Oregon interviewed nearly 1000 small businesses across the state. The results of this survey shed important light on the crisis facing small businesses:

The results of the survey revealed:

- 78% revealed weekly sales revenue losses of at least \$5,000 per week, totaling a minimum estimated loss of \$4.8 million statewide
- 58% expressed their primary concern as employee welfare
- 53% shared their primary concern as making lease payments
- 52% were primarily concerned with making payroll
- 25% of the businesses are owned by people from traditionally underrepresented groups
- 69% of the businesses are owned by people who identify as women
- 21 counties in Oregon were represented

These are the businesses across Oregon who are most vulnerable to the lasting effect of this crisis. These are also the businesses that have the least ability to absorb this crisis and re-open their doors for business. **These are the businesses that should be receiving the most State support to survive the crisis.**

While we appreciate efforts in Congress to provide national and international businesses support through the COVID-19 crisis, there is little action being taken—in Washington, DC or Salem, Oregon—to assist small businesses through this crisis, despite the fact that they employ half of the American workforce and create two thirds of net new jobs.

While large corporations have the means to operate in today's crisis and absorb financial hits, *there is no safety net for small businesses*. The COVID-19 crisis is so precipitous and far-reaching that we have to treat our vital community enterprises as **too many to fail**.

We respectfully urge you to take action now for these small businesses. It needs to be **big** to address the truly vast and acute needs of 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; tax cuts and loans will do little to help many businesses within the critical window of time we have to keep them solvent.

1. Work with Governor Brown to declare an Economic Disaster in order to qualify for federal assistance programs.
2. Establish an immediate moratorium on commercial evictions and commercial rent payments. Compel banks to work with property owners to negotiate mortgage payment plans.
3. Provide closure benefits for businesses that have been forced to close or limit service in response to the pandemic—particularly for restaurants, hospitality and retail. We need them to shut their doors, but they need us to keep them afloat.
4. 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. Supplement the [Governor's Strategic Reserve Fund](#) with \$50 million for one-time grants to businesses impacted by the downturn.
5. Lift restrictions on unemployment benefits immediately (no waiting period, no job search requirement, no employer contribution, expand the Work Share program).

6. Provide direct financial assistance for working parents whose kids are out of school.
7. Make sure food supply chains are kept intact and provide additional support to the Oregon Food Bank.
8. Expand eligibility to the Oregon Health Plan for people who lose their health insurance.
9. Extend 2020 tax filing deadline. Postpone small business loan and quarterly payroll tax payments and institute a 90-day moratorium on penalties and fees.
10. Establish a legislative guarantee that business insurance claims will be paid.
11. Finally, 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 promptly pay invoices of firms of 50-500 employees (but especially COBID firms with 50 or less employees) within 30 days. Currently, 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.

Our lives and our livelihoods are threatened by this new disease. People throughout this state are taking extreme action to minimize its impact. We take these actions in the hope that we can return someday soon to our previous ways of life. **But if you don't act today to provide swift and comprehensive economic relief, it will be the disease of inaction that leads to truly long term devastation.** We stand to lose the very cultural and economic fabric that defines our communities—music venues, restaurants, and small businesses. If we fail to act now, we will never be the same.