



**STATE OF NEW HAMPSHIRE**  
**OFFICE OF THE GOVERNOR**

**CHRISTOPHER T. SUNUNU**  
Governor

April 15, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives

Dear Leader McConnell and Speaker Pelosi,

On behalf of the 3,200 independent New Hampshire restaurants, I want to thank you for taking action to assist this critical industry as we confront the COVID-19 epidemic. Independent restaurants not only directly employ approximately 70,000 Granite Staters, but also contribute nearly \$4 billion to New Hampshire's economy. Although the CARES Act provides temporary relief, more is needed to ensure the long-term survival of these businesses.

A month ago, all independent restaurants in New Hampshire were required to transition to pick-up or delivery service. This resulted in many letting go a fair share of their employees – a difficult decision made to protect the public and their employees. However, many of those restaurants are unable to pay vendors and will have to pay outstanding supplier bills before restocking or rehiring, placing an undue burden on them when they reopen,

There is no more severely distressed, yet systemically critical sector of our economy, than independent restaurants. This sector of our economy is comprised of cash-flow businesses with extremely small margins, a reality which makes even temporary closures extremely difficult. These circumstances must be addressed independently of other small businesses seeking relief from the CARES Act.

As Congress considers additional legislation, swift action is needed to ensure our independent restaurants survive. Future action must better reflect the realities of independent restaurant's unique operating challenges and provide them a better chance of reopening and rebuilding.

The Paycheck Protection Program (PPP) has been an outstanding opportunity for many businesses to access relief. However, reforms are needed to help independent restaurants. As you know, the PPP was designed to accommodate all small businesses, including restaurants, and allow them to secure the necessary capital to reopen their doors and hire back employees. However, the legislation was written in such a way that it prevents restaurants from taking advantage of the program's benefits. The following changes are needed:

- **Extend the maximum loan amounts to 3 months after independent restaurants are allowed to reopen and operate at full capacity.** The intention of the CARES Act is to make sure independent restaurants can survive. Yet, the current structure of loan

forgiveness does not help many restaurants who are unable to open their doors after the 8-week period runs out.

Additionally, the June 30 deadline should be eliminated or extended into the fall. Not doing so will hurt businesses who are receiving the PPP loans but will be left with little opportunity for forgiveness right when they begin to ramp back up. Extending the deadline allows businesses greater flexibility to create a plan that works for their business model.

- **Increase the size of the PPP beyond \$350 billion and reinstate the \$500 million gross revenue cap.** Congress should reestablish the \$500 million gross revenue cap that was included in a previous version of the CARES Act. Reinstalling the cap would ensure more funds would be available for small, independent restaurants.
- **Increase the loan repayment to 10 years from its current two years.** Some restaurants struggle to qualify for 100% loan forgiveness, resulting in unforgiven loans and saddling them with debt when they can least afford it. The original CARES Act language set a more reasonable 10-year term to repay a PPP loan that was not fully forgiven. A dedicated restaurant recovery fund would be critical to the recovery of independent restaurants, allowing them to pay vendors and associated reopening costs.
- **Require Business Interruption Insurance to Cover COVID-19.** Every restaurant across the country pays premiums for business interruption insurance to safeguard their businesses and the livelihoods of its employees in the case of natural disaster or Civil Authority Shutdown. Unfortunately, the insurance coverage many independent restaurants rely on supposedly does not apply to the current COVID-19 situation because some assert that the virus does not cause a dangerous condition to property. As I have written before, Congressional action on this ongoing issue would help many independent restaurants.

I appreciate your consideration of these steps to help our independent restaurants. If these establishments fail, the impact on New Hampshire will be catastrophic. I hope you will continue to work to help them and their employees successfully navigate this crisis.

Sincerely,



Christopher T. Sununu  
Governor