

**COMMITTEE ON SMALL BUSINESS: 2021 MEMBER
DAY HEARING**

HEARING

BEFORE THE

**COMMITTEE ON SMALL BUSINESS
UNITED STATES
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS**

FIRST SESSION

HEARING HELD
JUNE 29, 2021



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MEMBER DAY HEARING

TUESDAY, JUNE 29, 2021

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,

Washington, DC.

The Committee met, pursuant to call, at 10:00 a.m., in Room 2360, Rayburn House Office Building, Hon. Nydia Velázquez [chairwoman of the Committee] presiding.

Present: Representatives Velázquez, Newman, Carter, Delgado, Andy Kim of New Jersey, Luetkemeyer, Williams, and Donalds.

Also Present: Representatives Blumenauer, and Case.

Chairwoman VELAZQUEZ. Good morning. I call this hearing to order.

Without objection, the Chair is authorized to declare a recess at any time.

I thank everyone for joining us this morning and I want to especially thank my colleagues for joining us today for the House Committee on Small Business Member Day Hearing.

Let me begin by saying that standing House and Committee rules and practice will continue to apply during hybrid proceedings. All Members are reminded that they are expected to adhere to these standing rules including decorum.

House regulations require Members to be visible through a video connection throughout the proceeding, so please keep your cameras on. If you participate in another proceeding, please exit this one and log back in later.

In the event a Member encounters technical issues that prevent them from being recognized for their questioning, I will move to the next available Member of the same party and I will recognize that Member at the next appropriate time slot provided they have returned to the proceeding.

For those Members and staff physically present in the Committee room today, we will continue to follow the most recent OAP guidance. Masks are no longer required in our meeting space for Members and staff who have been fully vaccinated. All Members and staff who have not been fully vaccinated are still required to wear masks and socially distance. I sincerely hope we all do our part to protect each other and our staff.

Today is a chance for the Committee to hear directly from our fellow Members of Congress about their priorities for supporting programs and policies that promote small business creation and growth. Last year was a pivotal moment across our country that we all experienced and still are because the pandemic is not over. Our nation's entrepreneurs closed more doors in 2020 than in any

other year on record, but Congress was able to save many due to bipartisan work by this Committee to provide over \$1 trillion in relief. It is easy to focus on the problems and frustrations we have all experienced, but I want to remind everyone today about all the good we have accomplished for main street nonprofits and families. That \$1 trillion funding was more aid in 1 year for struggling entrepreneurs than in any other year on record and the SBA rose to the occasion in distributing it.

Every Member in Congress has a small business in their district that has been impacted by our work, both COVID and non-COVID related. I know that when we travel back to our districts, we are eager to hear from our local small business owners to understand what policies are working for them and what we can improve on.

For the Members testifying here today, I know that you have been gathering feedback from main street businesses in your district and I am eager to hear more throughout this hearing.

Besides our work on relief programs, this Committee's mission is to open the lucrative federal marketplace to entrepreneurs, strengthen capital markets for all small employers, and give small firms the tools they need to take care of their employees and build their companies.

We do so while working together. Our Committee has a long history of bipartisanship because we all agree that small businesses truly are the backbone of our economy at the end of the day. They are what unifies us in our work and they hold our communities together. We saw that firsthand last year. Today, we have the chance to engage in an open dialogue on how we can collaborate to support small firms.

Thank you to all the Members for being with us today. I look forward to our discussion and to working with you to foster an environment that promotes entrepreneurship and job creation in communities across the country.

I would now like to yield to the Ranking Member, Mr. Luetkemeyer, for his opening statement.

Mr. LUETKEMEYER. Thank you, Madam Chair, for holding this member hearing today and to the gentlemen who are with us this morning, the members.

Throughout this Congress, members have heard from numerous constituent small business owners and job creators in a prioritized legislation to support the small business recovery. I am proud of the work this Committee has been able to achieve on a bipartisan basis such as the Paycheck Protection Program Extension Act, and I look forward to continuing our work together to empower small businesses and Main Street America in the recovery.

COVID-19 devastated small businesses, and through no fault of their own, many were forced to close their doors due to overreaching state and local shutdown measures and altered capacity restrictions. As a response, Congress created numerous small business relief programs to provide much needed assistance to Main Street USA.

Many of these programs, like the Paycheck Protection Program, have successfully assisted millions of small businesses providing billions of dollars in assistance. As small businesses continue to recover, we must ensure they return to operating independently.

Prior to the pandemic, small businesses were reporting historic levels of optimism and confidence that resulted from President Trump's pro-growth policies of a low tax environment combined with efficient and pragmatic regulations.

It remains clear that Congress has a lot of work ahead of it when it comes to the small business economy. Small businesses are currently facing labor shortages, rising cost of goods, inflation, and fears of increased taxes and burdensome government mandates. From ensuring that the smallest firms can employ workers, to providing necessary agency oversight to protect taxpayer dollars, I know we will be busy in the months and years ahead.

Thank you to the members who have joined us today. I look forward to our continued work to ensure our Nation's small business environment which is rich in opportunities for growth.

Thank you, Madam Chair, and I yield back.

Chairwoman VELAZQUEZ. Thank you, Mr. Luetkemeyer. The gentleman yields back.

I would like to take a moment to explain how this hearing will proceed. You will have 5 minutes to provide a statement and each Committee Member will have 5 minutes for questions. Please ensure that your microphone is on when you begin speaking and that you return to mute when finished.

I will begin by introducing our panel before we move to testimony.

With that, I would like to introduce our first witness, Congressman Earl Blumenauer, who represents the 3rd District of Oregon. Congressman Blumenauer is a tireless advocate for Portland and its surrounding communities. He is known in the halls of the Capitol as a consensus builder and that is evident from his work on the Restaurant Revitalization Program, a critical relief program that has helped thousands of restaurant owners keep their doors open. Thank you for your hard work and I welcome you, sir. You have 5 minutes.

**STATEMENT OF HON. EARL BLUMENAUER, UNITED STATES
HOUSE OF REPRESENTATIVES, WASHINGTON, DC**

Mr. BLUMENAUER. Thank you very much, Madam Chair. I deeply appreciate the opportunity to be with you here today.

Small businesses in my community and across the country have been saved because of the work that you and this Committee have done. Congress, and indeed the country, owes you a debt of gratitude. But you know well that the work is far from over.

As primary author of the RESTAURANTS Act, we generated legislation to deal with the fact that the PPP, which made such a difference for so many was ill-suited for restaurants, who did not even know if they were going to be open in 8 weeks and certainly did not need to pile on more debt under these circumstances.

As primary author of the Restaurants Act, I 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 relief.

It was clear from the beginning of the pandemic that restaurants, bars, caterers, would be some of the hardest hit busi-

nesses of any sector. In April of 2020, 5.5 million restaurant workers lost their jobs, accounting for more than a quarter of the total job losses for the month. Indoor dining restrictions, limited capacity, and the public's personal health concern further prolonged the restaurants' challenges. It was estimated that we could see 80 or 85 percent of restaurants go out of business permanently without Federal assistance.

I introduced the RESTAURANTS Act in June 2020 and worked with both Republican and Democratic 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 2-to-1 return on the investment and bring back millions of lost jobs.

The Restaurant Revitalization Fund was finally enacted as part of the American Rescue Plan and it provided \$28.6 billion for restaurants, bars, and caterers. The Small Business Administration opened the Restaurant Revitalization Fund on May 3rd and received an unprecedented level of applications from small restaurants, bars, and caterers. Within days, the Restaurant Revitalization Fund had received more than 362,000 applications with a total of \$75 billion in funding requested, nearly triple the available funding.

The Small Business Administration was forced to close the program to new applicants on May 24th, citing insufficient funding from Congress. Essentially, it was done in a matter of days. 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 future hinges on this Committee's ability to replenish the fund.

I have introduced bipartisan, bicameral legislation to replenish it with \$60 billion in additional aid, enough to cover all outstanding applications and allow the Small Business Administration to continue its outreach to hard-to-reach communities.

In fewer than 2 weeks, the legislation has already garnered 160 bipartisan cosponsors. It has broad support from every link in the trillion dollar restaurant supply chain. There is nothing more central to our communities, large and small, than their local restaurants. From first-time jobholders 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 2 good months is not going to make up for more than a year of losses or protect those 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.

Thank you for your courtesy and permitting me to make that case, and I look forward to working with you as we build upon your prior success.

Chairwoman VELÁZQUEZ. Thank you. Thank you for taking time and thank you for all the great work that you have done to assist and provide relief to small businesses in our country.

Now, I would like to introduce our second witness, Congressman Ed Case, who proudly represents Hawaii's 1st Congressional District. Mr. Case was born and raised in Hilo. His great-grandparents

on his father's side immigrated to Hawaii in 1896 from Kansas, and his family has lived on many of the state's islands over the generations since. Before joining Congress, Mr. Case spent 2 decades at the Honolulu law firm of Carlsmith Ball, where he rose to managing partner. Congressman Case serves on the Appropriations Committee and I am also proud to serve with him on the Natural Resource Committee. Welcome, Congressman case.

STATEMENT OF HON. ED CASE, UNITED STATES HOUSE OF REPRESENTATIVES, WASHINGTON, DC

Mr. CASE. Thank you so much, Chair Velázquez, Ranking Member Luetkemeyer, and members of the Committee. Thank you for that kind introduction. And I am also a proud former member of this Committee during my prior service in Congress. I have always enjoyed that privilege.

Thank you for the opportunity to share my thoughts with the Committee on two critical issues: 1) Of course, the continuing impact of COVID-19 on Hawaii small businesses, and (2) The need to ensure our small businesses are fully included in our Nation's recovery, especially in government contracting areas.

Because Hawaii's large industry is tourism and hospitality, our economy and small businesses have been especially hard hit by COVID-19 related stay-at-home orders and travel restrictions. Hawaii's unemployment rate was one of the lowest in the Nation at 2.6 percent before COVID-19. It quickly peaked at 23.5 percent during the height of the pandemic and today Hawaii's employment remains the highest in the Nation at 8.1 percent.

This economic crisis has had a profound impact on our small businesses which are the lifeblood of my state. Prior to COVID-19, Hawaii had about 136,000 small businesses, roughly 1 business for every 10 people. Although it is difficult to pinpoint the exact number of small businesses we lost due to the pandemic, it has been estimated that well over 1,000 businesses in Hawaii permanently closed during the pandemic. Sadly, this includes Hawaii's institutions with long roots in the community like Love's Bakery, Like Like Drive Inn and many more. This impact would have been significantly worse if it was not for the decisive action of this Committee. Your hard work and ingenious work to create new programs like the Paycheck Protection Program provided a lifeline for thousands of businesses in Hawaii. I also want to commend the Committee for remembering our immigrant and underbanked communities in ensuring they are not being left behind. This has been critical in Hawaii, a state with unmatched ethnic diversity.

However, segments of small business in Hawaii and throughout our country were not effectively targeted and still desperately need additional assistance. These include our restaurants and live event operators who despite rounds of Paycheck Protection Program and Economic Injury Disaster Loan Program assistance need additional funding from the Restaurant Revitalization Fund and increased access to the Shuttered Venue Operator's Grant Program. The nearly \$80 billion requested by restaurants from the \$28.6 billion Restaurant Revitalization Fund shows the desperate need of an industry struggling to recover. Because Hawaii small businesses are some of the most diverse in the Nation with the majority being mi-

minority-owned businesses, many were approved for Restaurant Revitalization Fund assistance only to have that funding precipitously halted by the current court action. We should honor our commitment to these small businesses and look to pass my colleague, Congressman Blumenauer's Restaurant Revitalization Fund Replenishment Act of which I am a co-sponsor.

I have also spoken to many small business owners in the hospitality and live event industry that were left out of the Shuttered Venue Operator Grant Program. While I understand that there are some challenges in defining this industry, that should be eminently surmountable. If we continue to leave out those that support the live entertainment industry such as audiovisual rentals, specialty entertainment services, wedding operators and more, we will neglect a critical component of the hospitality sector.

Lastly, as we work towards a comprehensive infrastructure package, Congress must ensure that our small businesses are fully included in this once in a generation investment. In particular, we must ensure that small business contractors, including Super 8(a)s 8(a)s, HUBZone, women- and veteran-owned businesses have meaningful and enforceable set-asides. This will require this Committee's continued oversight and focus but it is a critical component to helping small businesses and all of our districts truly recover from the COVID-19 pandemic.

In closing, thank you so much for your leadership and work in helping to provide relief to our Nation's small businesses that are still struggling to survive the unprecedented disruption of COVID-19. Without your decisive action over the past year and a half, many more small businesses would have shut their doors.

I look forward to continuing to work with you on behalf of our Nation's small businesses as we continue to transition from basic survival to recovery. Mahalo.

Chairwoman VELAZQUEZ. Thank you, Congressman Case for everything that you have shared with us and for taking time out of your busy schedule to be here advocating on behalf of small businesses. This Committee will continue to work with you in addressing the issues that we are still facing, especially during the recovery and rebuilding after the pandemic. We appreciate the work that you have done and your advocacy on behalf of small businesses.

Mr. CASE. Thank you.

Chairwoman VELAZQUEZ. Now I would like to ask if any other Member would like to be recognized from the Committee.

If not, if there are no other comments, I would like to conclude this hearing by once again thanking my colleagues for being here today. I can hear the passion and enthusiasm in your voice when you talk about ways to strengthen our nation's small businesses. Many of the issues you talk about are at the heart of what this Committee will be working on for the rest of the 117th Congress. We will also be giving a voice to small businesses and making sure that they are represented as we advance important initiatives like infrastructure. I encourage you to work with my staff and our Republican colleagues because working on behalf of small businesses is a bipartisan issue.

I will also ask unanimous consent that Members have 5 legislative days to submit statements and supporting materials for the record.

Without objection, so ordered.

If there is no further business to come before the Committee, we are adjourned. Thank you.

[Whereupon, at 10:18 a.m., the Committee was adjourned.]

APPENDIX

EARL BLUMENAUER
Third District, Oregon
COMMITTEE ON WAYS AND MEANS



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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.

Member Day Testimony to the Small Business Committee

Chairwoman Velázquez, Ranking Member Luetkemeyer and members of the Committee:

Thank you for the opportunity to share my thoughts with the Committee on two critical issues: (1) the continuing impacts of COVID-19 on Hawaii small businesses; and (2) the need to ensure our small businesses are fully included in our nation's recovery.

Because Hawaii's largest industry is tourism and hospitality, our economy and small businesses have been especially hard hit by COVID-19 related stay-at-home orders and travel restrictions. Hawaii's unemployment rate was one of the lowest in the nation at 2.6% before COVID-19. It quickly peaked at 23.5% during the height of the pandemic, and today Hawaii's unemployment remains the highest in the nation at 8.1%.

This economic crisis has had a profound impact on Hawaii's small businesses, which are the lifeblood of my state. Prior to the COVID-19 pandemic, Hawai'i had 135,567 small businesses, roughly 1 business for every 10 people. Although it's difficult to pinpoint the exact number of small businesses we lost due to the pandemic, late last year Yelp estimated that well over a thousand businesses in Hawai'i permanently closed because of the pandemic. Sadly this includes Hawai'i institutions with long roots in the community, like Loves Bakery, Likelike Drive-in and many more.

This impact would have been significantly worse if it wasn't for the decisive action taken by this Committee. Your hard and ingenious work to create new programs like the Paycheck Protection Program provided a lifeline for thousands of businesses in Hawai'i. I also want to commend the Committee for remembering our immigrant and underbanked communities and ensuring they were not being left

behind. This has been critical in Hawai'i, a state with unmatched ethnic diversity.

However, segments of small business in Hawaii and throughout our country were not effectively targeted and still desperately need additional assistance. These include our restaurants and live event operators who, despite rounds of Paycheck Protection Program and Economic Injury Disaster Loan Program assistance, need additional funding for the Restaurant Revitalization Fund and increased access to the Shuttered Venue Operators Grant program.

The nearly \$80 billion requested by restaurants from the \$28.6 billion Restaurants Revitalization Fund shows the desperate need of an industry struggling to recover. Because Hawai'i small businesses are some of the most diverse in the nation, with a majority of these businesses being minority-owned businesses, many were approved for Restaurants Revitalization Fund assistance only to have that funding precipitously halted by court action. We should honor our commitment to these small businesses and look to pass Congressman Blumenauer's Restaurant Revitalization Fund Replenishment Act, of which I am a cosponsor.

I have also spoken to many small business owners that support the hospitality and live events industry yet were left out of the Shuttered Venue Operators Grant program. While I understand the challenge in defining this industry, if we continue to leave out those that support the live entertainment industry, such as the audio-visual rentals, specialty entertainment services and more, we'll neglect a critical component of the hospitality sector.

Lastly, as we work towards a comprehensive infrastructure package, Congress must include assure that our small businesses are fully included in this once-in-a-generation investment. In particular, we must ensure that small business contractors, including Super 8(a),

8(a), HUBZone and Woman- and veteran-owned businesses, have meaningful and enforceable set-asides. This will require continued oversight and focus, but it is a critical component to helping small businesses in all of our districts truly recover from the COVID-19 pandemic.

In closing, thank you for your leadership and work in helping provide relief to our nation's small businesses that are struggling to survive the unprecedented disruption of the COVID-19 pandemic. Without your decisive action over the past year and a half, many more small businesses would have shut their doors. I look forward to continuing to work with you on behalf of our nation's small businesses as we continue to transition from survival to recovery.

Mahalo.

**The Honorable Glenn “GT” Thompson (PA-15)
Testimony before the House Small Business Committee
2021 Member Day Hearing
Tuesday, June 29, 2021**

Chairwoman Velázquez, Ranking Member Luetkemeyer, and Members of the House Committee on Small Business:

Thank you for the opportunity to share feedback and priorities from small business owners in Pennsylvania’s 15th Congressional District.

Before I begin, I would like to thank and recognize the hard work and long hours the Members of this Committee and staff put in to help deliver vital aid and assistance to small businesses. Specifically, I am grateful for the Committee and Small Business Administration’s (SBA) work last year to implement the Paycheck Protection Program (PPP), delivering relief directly to millions of small businesses and their employees.

As the member representing nearly 25% of the land mass of Pennsylvania, which is almost all rural, I have the distinct honor and privilege of working with many rural entrepreneurs. Since I was first elected, it has been my goal to collaborate with federal agencies to better connect rural American businesses with vital products and services that will help them start, grow, and expand. It is crucial that we continue to inform and educate rural America about the resources available to them, so that communities succeed and thrive.

Within this past year, my office saw many of the challenges facing rural small businesses, including geographic isolation. The physical distance from Small Business Development Centers (SBDCs) and federal services can be disabling for a small business. It is my hope Congress will work to resolve and enhance small business assistance with satellite SBDCs, or other community partners, and build collaboration between federal programs specifically with the U.S. Department of Agriculture, SBA, and the Department of Commerce.

As Republican Leader of the House Agriculture Committee, one of my top priorities is increasing access to broadband connectivity for rural communities. For years, the digital divide has left many rural small business owners unable to access reliable, high-speed Internet service resulting in lost opportunities to expand businesses. I see this cost and frustration every day. I am fortunate to live in the service territory of a rural electric cooperative, which offers quality Internet service to my home, but just miles away many businesses are on the wrong side of the digital divide.

COVID-19 has issued an urgency of rural broadband, the connectivity struggles in rural communities predate the pandemic and they will not ease as we return to normal. As more American businesses are transitioning to online services, including those in Pennsylvania’s 15th Congressional District, the digital divide places rural small businesses at a distinct disadvantage in comparison to their urban and suburban counterparts.

By continuing to make improvements and invest in connectivity, we can empower local businesses, better serve rural America, and fuel global economies.

Access to capital is crucial for rural America. The disparity in government-backed capital support during the COVID-19 pandemic has personified the inequitable economic conditions faced by small businesses nationwide. During the pandemic, many rural small business owners did not receive the amounts they requested or, frankly, any amount at all.

As members of this Committee know, the disparities in capital access have gotten worse as PPP lending was consumed by larger financial institutions, which have traditionally excluded smaller rural businesses. The only capital available to the smallest businesses is often accompanied by high interest rates and confusing repayment terms.

We must work to ensure that long-term, equitable, and responsible capital is available for rural small businesses. Re-envisioning and implementing a robust small business capital infrastructure will provide more patient and flexible products to rural entrepreneurs.

Thank you to Chairwoman Velázquez, Ranking Member Luetkemeyer, and Members of this Committee for allowing me to express my priorities for this Committee in the 117th Congress. I appreciate your consideration and look forward to working together on these and other issues. these and other issues.

Statement for the Congressional Record
Rep. Linda T. Sánchez
July 20, 2021
Member Day: Committee on Small Business

Thank you, Chairwoman Velazquez and Ranking Member Luetkemeyer, for the opportunity to advocate on behalf of the small businesses in my district.

The COVID-19 pandemic has devastated our small business community in ways we have never seen before. Statewide stay-at-home orders this past year slowed the spread of COVID-19, but they also closed many small businesses some temporary, and others permanently. It will take a lot of work for us to fully recover, but the good news is we are on our way to finally getting back to normal.

Congress supported our nation's small businesses by providing billions in aid with Small Business Administration (SBA) loan programs in the CARES Act and the American Rescue Plan – both of which I voted for. These bills provided direct relief to households, local communities, and small businesses across Southern California.

My constituents and I are so appreciative of the work from the Committee in providing immediate assistance to small businesses in my district through the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan Program (EIDL). This aid has been critical to struggling small businesses and has helped many of them survive the pandemic. In fact, nearly 15,000 small businesses in my district were able to successfully receive financial relief from these loan programs.

I also want to express my gratitude to Small Business Development Center (SBDC) network. SBDCs provides small business owners with no-cost, confidential, business advising services. They have worked closely with small businesses in my district to ensure business owners knew how to apply for PPP loans and could do so successfully. While the majority of their time throughout the pandemic has been spent helping clients navigate the EIDL, PPP, RRF, PUA, ERTC, and other grant opportunities, they were here before the pandemic, and they will be there after in order to help small businesses in our communities.

I have spoken with many small business owners across Southern California who applied for relief. There have been so many successes through these programs, and today I would like to share one story about Paraiso Coin Laundry in my district.

At the beginning of the pandemic, Alfonso was looking for support for Paraiso Coin Laundry, the laundromat he co-owns with his wife Veronica in La Mirada, CA. He attended an SBDC webinar on COVID-19 relief funding and followed up for individualized assistance in Spanish. He was eventually awarded an EIDL loan of \$75,000, of which they ultimately only took \$35,000. Alfonso and Veronica accessed a first-draw PPP of \$7,000 and later took a second draw of \$7,700. SBDC staff worked with them to ensure they spent the funds appropriately and could qualify for forgiveness, helping them make ends meet while social distancing protocols and stay-at-home orders reduced their business.

While these programs are helping many on the road to recovery, I have heard from just as many small businesses who have been unable to receive assistance, including and especially restaurants and bars.

The restaurant industry has been uniquely devastated by the COVID-19 pandemic. Nationally, 90,000 restaurants have permanently closed and tens of thousands more have significantly scaled down their operations. Further, in my home state of California, nearly a third of our restaurants permanently closed. Within just three weeks, applications for the Restaurant Revitalization Fund far-exceeded available funding. More than 362,000 applications were submitted requesting \$75 billion in funding. Due to unprecedented need and a lack of funds, the SBA closed the application portal on May 24, 2021 with nearly \$50 billion in outstanding need that will go unmet unless Congress acts. These small businessowners are in limbo and many of their businesses will not be able to survive without the funds they were counting on.

That is why I am a proud cosponsor of the Restaurant Revitalization Fund Replenishment Act. There are still so many eligible applicants in desperate need of assistance, and this bill would provide the funding needed to help restaurants and bars survive the pandemic and recover faster. I believe that it is also imperative that the restaurant operators that did not get grants the first time around are automatically eligible for the new funds if they have an application and the necessary documentation on file. I sincerely hope that the Committee will act soon to make sure that our local businesses have the aid they need.

Thank you again, Chairwoman Velázquez and Ranking Member Luetkemeyer. I look forward to continuing to work with you and this Committee to ensure all eligible small businesses have access to these critical assistance programs.