

March 21, 2020

The Honorable Ned Lamont
Governor, State of Connecticut
210 Capitol Avenue
Hartford, CT 06106

To the Honorable Governor Ned Lamont:

Last week, we wrote to update you on the efforts of local restaurant owners to help contain the spread of COVID-19 in Connecticut, and to request that the state help protect our businesses, our employees, and our local economy during this incredibly difficult period. In the intervening days, you made the hard decision to close dine-in restaurants. As local business owners who care deeply about our employees and customers, we understand this action was necessary to protect public health. Leading into this decision and in the days since, your administration has been exceedingly responsive to our concerns and requests.

Despite this cooperation, however, our industry is now facing what can only be described as a crisis, and further action is needed. While many dine-in restaurants across the state have remained open for takeout and delivery, such stop-gap measures are neither profitable nor sustainable; indeed, Connecticut restaurants are now in a fiscal free-fall – they are laying off employees and barely keeping their doors open. Currently many restaurants are continuing to operate because they are trying to keep people employed, and because they understand the restaurant industry’s vital role as a source of food for so many people across our state. However, without immediate action from your administration, hundreds and then thousands of businesses across the state will fail—and many will never reopen. The domino effect for our state economy will be disastrous.

Here are four things which, we believe, will do the most immediate good for restaurant owners and the 160,000 people they employ across Connecticut:

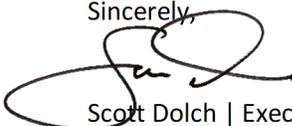
- **Immediate and Significant Capital Injections.** Grants, lines of credit, or zero-interest loans from the State will determine whether most restaurants can survive this storm.
- **Forgive Sales Tax Payments for At Least 3 Months.** Connecticut restaurants are absorbing drastic cost increases for the good of the public health, and forgiving sales tax payments is one way to recognize that sacrifice.
- **Fund a State-Backed Business Interruption Insurance program.** Rather than forcing its business community to resolve insurance coverage disputes via protracted legal wrangling and an expensive, divisive arbitration process, Connecticut must approve an insurance program that provides immediate benefits.
- **Address Unemployment Compensation Issues:** As the number of filings increases daily, the State needs to be prepared now for insolvency and look for avenues to address the problem other than burdening employers down the line.

We know how much you are doing, and how many critically important demands are before you and your staff. We also feel strongly that the long-term viability of an industry that represents more than 8,500 individual businesses and accounts for 10 percent of our state’s workforce must rank among your priorities in the days ahead. Restaurants were the first businesses to be immediately and severely impacted by this crisis, and without your immediate assistance they will also be Connecticut’s first industry-wide casualty. Respectfully, and with genuine appreciation for all you have already done, we ask that you help us find a way to implement the four proposals detailed above.

Connecticut restaurants are doing what they can; they want to stay open and keep employees on the payroll. But without state action that goal is not possible and, as a result, what could be a short-term public health emergency may, instead, trigger a longer economic crisis for Connecticut.

We urge your assistance, and again thank you for all you are already doing.

Sincerely,



Scott Dolch | Executive Director
Connecticut Restaurant Association