Message from the Ohio Restaurant Association to the Economic Strike Force

March 24, 2020

Director Mihalik and Members of the Ohio Economic Strike Force,

Thank you for your leadership and your service to Ohio and our communities during this unprecedented time in our state and our nation’s history, and for your openness to providing much needed relief to Ohio’s employers. This is an unprecedented and incredibly difficult time for all Ohioans; but as you know, restaurant owners, operators and workers were impacted first and significantly since day one and remain on the front line of this public health crisis every day.

In addition to our previous communications and in follow up to the economic strike force stakeholders call this morning, summarized below are some priorities for relief that would be meaningful in the short term.

**Regulatory Reform**

- **Unemployment Insurance:** Ohio’s businesses and workers appreciate the increased eligibility and the added flexibility Ohio immediately provided. Two areas where additional relief would be meaningful are:
  - Eliminating or significantly lowering the weekly earnings threshold at which workers can file for/qualify for unemployment. Currently if you earn less than $269 a week you are not eligible for unemployment benefits. Every workers’ wages are meaningful to their family, especially during this crisis. This is especially important to the restaurant industry where many work part-time positions as part of their total income.
  - Increasing the weekly benefits paid as a percentage of salary (currently starts at 50%). In this crisis workers should receive all or a much higher percent of their wages as benefits.
  - The greatest possible unemployment coverage for self-employed and contract workers, who support so many Ohio businesses.

- **Carry-Out Liquor**
  - Expanding Ohio’s allowed carry out/delivered alcohol to include spiritous liquor (currently beer and wine only are allowed).
  - Allow third party delivery services to deliver alcohol (currently only a restaurant’s direct delivery drivers are permitted).
  - Refund liquor permit fees for liquor permits that are impacted by the Director of Health's order relating to bars and restaurants issued on March 15, 2020 and expanded on March 22, 2020.
  - In the same way that the return of liquor was permitted, ensure that there are no regulatory hindrances to allowing the return of beer and wine.

**Tax Structure**

- **Suspend payments** for one or all of the following
  - BWC worker’s comp premium payments
  - Commercial Activities Tax
  - Unemployment insurance premiums
  - *Mitigating or delaying payments rather than suspending will help, but to a much lesser degree.*
  - Extend the due date for estimated payments required to be made for taxes administered by the Commissioner (including personal income tax, pass-through entity tax, and the state-administered municipal net profit tax)
  - Waive interest from applying to payments that have an extended due date
  - Extend the due date of the state-administered municipal net profit tax and also make the interest penalty discretionary for late payments.
  - Set Ohio’s tax filing deadline the same as the federal filing deadline, July 15, 2020.
• **Property tax**
  - As most businesses are seeking relief from their landlords, deferral of real estate taxes could provide cash flow relief to property owners, allowing them more flexibility with tenants.

**Direct Financial Assistance**

• **SBA Loans**: Ohio businesses appreciate the state’s quick filing for and obtaining a declaration of economic disaster so small businesses can apply for SBA Economic Injury Disaster Loans. Additional meaningful relief would include:
  - Expanding the definition of a small business so more businesses qualify
  - Lowering the interest rate
  - Setting conditions for these loans to be forgiven to reward those continuing employment to the greatest degree possible and making sure that those conditions are reasonable.

• **Grants and Credits**: ensuring that Ohio makes available to the greatest degree possible financial assistance to help distressed businesses stay alive during this crisis, including but not limited to:
  - Economic distress grants and tax credits
  - Development credits
  - Block grant funding
  - Economic disaster funding
  - Employment tax credits

• **Fully Open for Business Help**: there will be another cash flow crunch when it comes time for restaurants to reopen (or fully reopen for those able to make it through this crisis on delivery and carry out). Help at that time will be the difference between some businesses shuttering their doors forever or reopening strong to help revive Ohio’s economic engine. Ohio’s restaurants employ 585,000 Ohioans and generate $25.6 billion in revenues.

Thank you again for your service, your leadership, and your openness to this dialogue. We are always available to discuss Ohio’s restaurants further and can be reached anytime at 614-397-1248 or 614-296-2310.

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