

Congress of the United States

Washington, DC 20515

August 11, 2022

The Honorable Isabella Casillas Guzman
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

Dear Administrator Guzman:

We write to request that you prioritize awarding unobligated Restaurant Revitalization Fund (RRF) monies to applicants from states like Rhode Island that received disproportionately low levels of awards relative to the number of applications in the state.

We are grateful for the Small Business Administration's (SBA) work administering a host of pandemic-era programs. Your efforts to quickly disburse emergency relief to a variety of small businesses saved millions of jobs and businesses nationwide—laying the groundwork for our nation's historically quick economic recovery.

While we are disappointed that congressional Republicans have prevented Congress from sufficiently funding RRF, we understand SBA still has \$180 million in unobligated program funds. Even with some set aside for litigation or required to be sent to the Department of the Treasury, awards on that scale could make a transformative difference for the numerous restaurants still struggling with aftershocks from the pandemic's economic crash.

Rhode Island, like most tourism and hospitality-dependent states, was hit particularly hard by the pandemic. Indeed, Rhode Island experienced the greatest decline in travel, tourism, and related employment of any state during the second quarter of 2020—when lock-downs swept the country.¹ However, Rhode Island restaurants received the lowest rate of awards in the nation, with only 30 percent of applicants getting needed support to keep their employees hired and businesses running.² In comparison, RRF applications in every other New England state were funded at no less than a 41 percent rate.³

¹ Census Bureau. "Tourism and Related Industries Declined Sharply in Northeastern States in Spring 2020, Women and Young Workers More Affected Nationwide." Census.gov, March 25, 2022.
<https://www.census.gov/library/stories/2021/06/initial-impact-of-covid-19-on-travel-tourism-outdoor-recreation-varied-widely-across-states.html>.

² Government Accountability Office. "Restaurant Revitalization Fund: Opportunities to Improve Oversight." Gao.gov, July, 2022. Page 27.
<https://www.gao.gov/assets/gao-22-105442.pdf>.

³ Ibid.

As such, we ask that SBA correct this concerning discrepancy by using unobligated RRF dollars to prioritize awarding restaurants in states with the lowest percent of funded eligible applicants. Such action would ensure program funds are distributed in a geographically equitable manner, helping more restaurants in a greater amount of states.

Thank you for your time and efforts assisting our nation's small businesses during the pandemic. We look forward to working with you on this and other shared priorities, and appreciate your prompt attention to this request.

Sincerely,



Sheldon Whitehouse
United States Senator



Jack Reed
United States Senator



David N. Cicilline
Member of Congress



James R. Langevin
Member of Congress