



March 2, 2021

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, D.C. 20515

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, D.C. 20510

Dear Speaker Pelosi and Leaders Schumer, McCarthy, and McConnell:

The National Restaurant Association has completed our sixth national survey of our membership since the March 2020 pandemic started – drawing from restaurants of every type and in every community. The results demonstrate a continued vulnerability for the nation’s second-largest private sector employer, and one that warrants prompt passage of the \$25 billion Restaurant Revitalization Fund in the American Rescue Plan. You are well aware of our concerns with inclusion of the Raise the Wage Act, which we understand will not be a factor in the Senate version of the bill.

While many other industries have moved into a recovery phase, the restaurant industry ended last year in a double-dip recession and with 2.5 million fewer jobs. At this point, we forecast the industry has lost \$255 billion in revenue.

In addition, according to our survey findings:

- Consumer spending in restaurants remained well below pre-pandemic levels in January. Overall, 77% of restaurant operators say their total dollar sales volume in January was lower than it was in January 2020.
- From November 2020 to January 2021, nearly 450,000 restaurant jobs were lost, representing about 10% of the total jobs recovered during the first six months after the spring shutdowns. Eighty percent of operators say their current staffing level is lower than what it would normally be in the absence of COVID-19.

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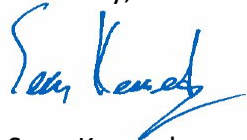
- Looking farther down the road, most restaurant operators do not expect a return to normal business conditions any time soon. Thirty-two percent of operators think it will be 7-12 months before business conditions return to normal for their restaurant, while 29% think it will be more than a year. An additional 10% of operators say business conditions will never return to normal for their restaurant.
- Fourteen percent of restaurant operators say they will “probably” or “definitely” be closed within three months if there are no additional relief packages from the federal government.

In our first pandemic letter to you on March 18, 2020, we called for an array of approaches to sustain our industry and our workforce. You listened, creating critical programs like the Paycheck Protection Program, expanding Economic Injury Disaster Loans, and enhancing the Employee Retention Tax Credit. These programs have helped restaurants limp through almost 12 months of shutdowns, reopenings, and capacity limitations. But no other industry has lost more jobs and more revenue than the restaurant industry, and we have been consistent in urging a restaurant-specific recovery plan from Congress.

The Restaurant Revitalization Fund represents the culmination of a year’s worth of advocacy and development toward an industry-specific solution. Prompt passage and implementation will provide new relief opportunities for some of the nation’s hardest-hit restaurants and communities. We appreciate the leadership of the sponsors of the RESTAURANTS Act in revising the legislation to provide relief for restaurants of every type. Demand for relief will far outpace the \$25 billion in funding, but this is an incredible step forward and we look forward to working with you to see this program launch successfully to rescue countless industry jobs nationwide.

Help for restaurants is help for employees and communities, and a signal that our country is one step closer to turning a corner. We urge prompt passage of the American Rescue Plan.

Sincerely,



Sean Kennedy
Executive Vice President, Public Affairs