

IRC GUIDE TO CONGRESSIONAL OUTREACH



Step 1: Know Who to Contact

To find out who represents you in the US Congress visit [whoismyrepresentative.com](https://www.whoismyrepresentative.com) and enter your zip code.

If you have connections to Congresspeople outside of your own state or district, you can reach out!

If you have friends and colleagues that live in other districts or states, bring them into a conversation with their Reps.

Step 2: Reach Out

Send an email or call your reps using this template :

Dear Senator **(INSERT NAME)**,

Thank you in advance for your time and consideration. My name is **(INSERT YOUR NAME)**. I own a restaurant in **(INSERT COMMUNITY)** and have employed **(INSERT NUMBER)** of your constituents for the last **(INSERT NUMBER)** years. Due to COVID-19, my restaurant **(INSERT A COMMENT ABOUT HOW YOUR OPERATIONS HAVE BEEN IMPACTED, HOW MANY PEOPLE YOU'VE HAD TO LAY OFF, OR A DECREASE IN SALES)**.

I'm reaching out about the The Restaurant Revitalization Fund. This grant program proved to be a lifeline for hard-hit independent restaurants like mine, with over 370,000 applicants requesting over \$76 billion of relief within the first two and half weeks that the portal opened. The demand far exceeded the \$28.6 billion allotted to the program, and we need to ensure every small business that applied for, and desperately needs, these grants can access them. This bill would help independent restaurants deal with the long-term challenges facing our industry because of COVID-19 and secure the employment of 11 million workers across 500,000 small businesses, as well as the five million more jobs up and down our supply chain.

We need swift action to refill this program. Might someone from your office be able to take a 15 minute call to discuss this urgent matter?

Thank you again for your continued good work,
(YOUR SIGNATURE)



Step 3: Get to Know The Bill | Industry Facts

- Returning to “normal” operations won’t make up for 18 months of lagging consumer confidence, a drastic reduction in revenue from losses of private and public events, tourism, and business travel, and restrictions on capacity.
- The disastrous effects of permanent restaurant closures will be felt for years by every industry and community.
- The restaurant industry is the second-largest employer in the country, with independent restaurants serving as the backbone of every community.
- An average of \$0.90 from every dollar a restaurant receives goes back into the economy, so revitalizing restaurants also revitalizes farmers, fisherman, bakers, ranchers, winemakers, linen providers, parking attendants, cleaning services, and so many more critical small businesses.
- 1 in 4 unemployed Americans that lost their job during the pandemic are restaurant workers.
- Independent restaurants are uniquely and devastatingly impacted by this pandemic. They do not have shareholders or corporate backstops to help cushion losses and, with already low profit margins, there isn't money sitting in the bank to keep them afloat. Even during closures, fixed costs continued to accrue, leaving many businesses devastated.
- A 2020 economic report found that a \$120B investment would generate over \$270B in economic activity, and reduce unemployment by up to 2.4%, saving states \$30.7B in unemployment benefits, all while generating significant tax revenue.

Step 3: Get to Know The Bill | Need

- As of May 24, the RRF program has received more than 372,000 applications – with over \$76 billion in funding requested. More than 208,000 of those applications came from small businesses owned by women, veterans, and socially and economically-disadvantaged individuals, who, as directed by Congress, were given priority access to the program.
- Data suggests the full need for restaurants is \$168 billion, While you may see restaurant activity picking up, state specific dining restrictions exist in 29 states across the country as of the end of May and continue to inhibit the amount of customers a business can serve, even in places that allow 100% capacity.
- After accumulating 15 months of debt, restaurants and bars cannot simply fix their balance sheets with a few weeks of near-capacity business operations afforded by loosened restrictions and summer outdoor dining. Approximately 90,000 restaurants and bars have closed during the pandemic.
- 36% of diners will not resume their regular dining behavior until at least after September 2021. Consumer hesitancy will continue to hamper restaurants' and bars' revenue generating abilities.
- Costs necessary for running a restaurant are rising. The price of beef (14.5%), pork (9.6%), fresh fruits and melons (9.3%), processed poultry (5.4%) and dairy products (3.2%) all increased between March and April 2021.

Step 3: Get to Know The Bill | How RRF works

- The Restaurant Revitalization Fund is a \$28.6B federal program passed as part of the American Rescue plan, based off of the \$120B bi-partisan RESTAURANTS Act designed by the IRC and introduced last June (and again earlier this year) in both the House and Senate.
- This grant program provides debt-free support in the amount of annual revenue lost in 2020 compared to 2019, with special provisions for businesses that opened in 2020 and 2019.
- Eligible entities include restaurants, caterers, cafes, bakeries, brewpubs, food stands, food trucks, inns, taprooms, taverns, tasting rooms that are not part of an affiliated group with more than 20 locations.
- Grants can only be used on eligible expenses that were incurred between February 15, 2020 and March 11, 2023. Unused funds—or funds not used for these purposes—must be returned to the government. These expenses include:
 - Payroll (excluding employee compensation exceeding \$100,000/year), employee benefits, and paid sick leave;
 - Mortgage, rent, and utilities
 - Maintenance
 - Outdoor seating construction
 - Debt obligations to suppliers.
 - Supplies, protective equipment, and cleaning materials
 - Food and beverage
 - Operational expenses

Step 4: Write a Script

Prepare what you want to say in a way that feels personal, relays your story, and drives home the importance of this bill to you, your employees, and your community.

Include specifics like:

- Your restaurant name
- How long you've been in business
- How many people you employ
- The challenges your business has faced during the COVID-19 crisis
- How the RRF would help you and the industry
- Include facts specific to your state [here](#).

Note: If you know another business owner from your community, whether its a fellow restaurant operator, or a supplier who is hurting because of limited restaurant operations, invite them to join and tell their story as well.

Step 5: Be Ready for Questions

Restaurants are back in business now, why do you need funding? A few weeks of full-capacity dining cannot make up for 15 months of lost revenue. Most of us owe our landlords thousands of dollars in back rent- if we were even lucky enough to have it deferred. Many operators were forced to go into immense debt to keep their doors open and their staff paid. Everything is coming due now. The price of goods and services (like meat) are much higher, and some communities don't want to eat out without COVID-19 precautions in place- there is no guarantee revenues will return to pre-pandemic levels immediately.

How much money does this fund need? SBA received applications for over \$79 billion in relief in just three weeks. This doesn't account for small businesses that didn't learn about the program in time, and those who knew the \$28.6B allocation wasn't enough and decided not to try. Toast, one of the most popular point of sale applications for restaurants, estimates that restaurants are eligible for a staggering \$168 billion in RRF grants. The US Census estimates that restaurants and bars lost over \$280 billion in revenue (compared to 2019) since the pandemic began, and refilling this fund is a necessary step to help offset those devastating losses.

Step 5: Be Ready for Questions cont...

Why should we give more money to restaurants when every industry needs help? We support relief for every industry that needs it, but this pandemic and the justified public health shutdowns have affected restaurants more than any other business. Most independent restaurants, unlike airlines or big retailers, do not have the access to debt tools, investors, or the capital market. We're hanging on by a thread through no fault of our own. Our thin profit margin - between 6-9% - means that supporting restaurants is support for so many others - our workers, our suppliers, our landlords. Restaurants are an essential part of the fabric of our society and communities, and they are worth saving.

Current economic conditions are cutting further into those razor thin profit margins. The Wall Street Journal recently reported that the cost of pepperoni jumped 60% over the past five weeks for one independent pizzeria in Indiana, and another deli is only getting about 40% of the chicken it has ordered from suppliers. The average price on the U.S. spot market for refrigerated truck transport reached \$3.09 a mile in early May, up 20.7% from the average rate in February, according to DAT Solutions LLC which was the first time the company had seen the rate surpass \$3. Demand has also surged on PPE like gloves, disposable goods, and more, making everything we need to reopen and operate much, much more expensive.

Step 5: Be Ready for Questions cont...

How do restaurants support other small businesses? The vast majority of restaurants see more than 90% of their income go back out to farms, fisheries, ranches, and others. We support small restaurant suppliers, wine distributors, local breweries, and other businesses in our neighborhoods as well. A restaurant also often anchors other businesses in the area- we are the ones who take a chance on an off-the-beaten path street and see shops pop up around us in the years after.

How do restaurants impact other hospitality businesses and drive travel and tourism in many communities? In a lot of cases restaurants are the destination or a part of the destination. In other cases restaurants enrich a person's visit to our community and provide the crucial special memory of their trip. But restaurants and travel are undeniably intertwined. Often some of the best restaurants are also in or around hotels because of this connection.

Step 5: Be Ready for Questions cont...

What about the priority application period? When Congress designed this program– which was intended to be funded at \$120 billion – they created a three-week priority window for businesses owned by women, veterans, and socially and economically disadvantaged groups. Many of those same people were left out of PPP and other aid programs. More than half of the applications for the RRF came from these groups, showing tremendous need. This piece worked as intended, however the program was underfunded and unable to help everyone who applied for, and needs, funding after the initial 3 week priority period.

Would more PPP funding help? PPP was a good first start and helped many restaurants stay afloat, but it only covered payroll costs for a few weeks of a 15 month business interruption. Traditional SBA lending facilities, while valuable and important in normal times just don't stand up to complete or near-complete business interruption combined with public health orders that make our business model unsustainable because we are unable to operate in the way we were designed and built to. The Restaurant Revitalization Fund gives more up-front capital for other operating expenses and supplier bills. PPP requires restaurants to take on debt obligations that most can't afford.

Step 5: Be Ready for Questions cont...

Will this save jobs if people don't want to come off of unemployment? The goal of this fund is to provide a lifeline to small business so that there are jobs to return to. As doors reopen, some owners have had challenges finding workers. There are many reasons people aren't coming to work at restaurants, whether personal, such as safety concerns, lack of childcare, and vaccination rates, or practical - our industry has largely been shut down for 15 months, and employees had to look for and take jobs in other fields. Before the pandemic, employment for restaurants and bars increased over 33% in the last decade- the third largest growth of any industry- but as of last month, restaurants are employing 1.67 million less people than they used to. That's a problem for the young people, women, and non-white people who comprise the majority of the restaurant workforce. Without this fund, those jobs will disappear from our communities, leaving them more vulnerable longer.

What if someone already received PPP or other SBA loans? This bill prevents double dipping, so anything paid for with PPP or other loans would be ineligible to for use of Restaurant Revitalization Funds. RRF was designed to work in tandem with these other short-term bridge programs.

Step 6: Follow Up

Follow up with thank you notes and tweets, and get your friends, neighbors, and colleagues to do the same.

SAMPLE TWEET:

Independent restaurants and workers need Congress's help before it's too late. Thank you @CONGRESSPERSON for listening to why we need to #RefilltheRRF to #SaveRestaurants like mine.

Encourage action from your networks by using our social media graphics and captions, found [here](#), and talking with guests, other community members, and local restaurant associations.

The more constituents that call, email, or share on social, the more responsive the representative will be.

Things to Remember

- Starting a conversation with a legislator can be intimidating, so nerves are natural, but it's important to remember that it is their job to listen to what you have to say
- The restaurants industry impacts a large percentage of any lawmaker's constituency, so your voice matters to them - and so should the Restaurant Revitalization Fund.
- Give the maître d' treatment to every lawmaker ahead of your conversation. Research them like you would a guest - What have they previously supported? What are their interests, both personal and political? How do restaurants impact those? A morning diner in rural Nebraska may sell more bacon than a Whole Foods in Omaha, so for a representative who is concerned about their local pig farmers, that's where the biggest impact of this bill will be. Figure those out!
- When looking for connections, use your whole network. It may be friends, family, past-coworkers/employees, or even regulars who have a connection with the person who you are trying to contact. Cold calling is great, but any personal connections you have can help get you a meeting faster!