

NCRLA Advocacy Update on COVID-19 Pandemic**MARCH 18, 2020****Federal Advocacy Update****Restaurants:**

As of today, about half of the states have bans on inside dining, including NC as of 5pm. The White House had a call today with 6 chain restaurant CEOs and said it would encourage delivery/take-out/ options while dining rooms are closed.

Congress continues its works on several phases of a relief package related to COVID-19. Phase 1, which was focused on health, provided money to CDC and state health departments passed into law last week.

Phase 2 of the COVID-19 relief package offering emergency paid sick leave and FMLA benefits is likely to pass the Senate today, and we are actively advocating for it to be revised from a tax-credit model to a direct-pay model but those concerns may have to be addressed in Phase 3. We joined NRA's grassroots call-to-action which broke all records for engagement among members.

Phase 3 will be a separate bill focusing on business relief and economic stimulus. Secretary Mnuchin announced that the IRS will extend the April 15 tax payment deadline by 3 months and waive all interest and penalties. Treasury Secretary Mnuchin and the Senate are collaborating on the bill which is expected to include direct payments to American citizens. As for business relief, we are working with our partners at NRA to advocate for three main priorities:

- Direct assistance grants
- Short-mid-term access to capital
- Tax relief
- We believe the Senate bill + actions by the Treasury Department will address these issues

Lodging:

We are working with our federal partners at AHLA to advocate for access to capital and other solutions. President & CEO Chip Rogers and leading hotel CEOs met today with the White House to discuss urgent economic recovery solutions needed to protect millions of U.S. hotel employees and 33,000 small businesses as travel grinds to a virtual halt across the country.

Top hotel industry leaders laid out several immediate actions the White House and Congress could take to help the hotel industry protect jobs and help small business operators. The group focused on two critical goals - retaining and rehiring employees and keeping hotels from shutting down through access to liquidity and low interest loans, including for small businesses.

Hotel CEOs who participated in the roundtable discussion today at the White House were hopeful that President Trump and Members of Congress will work together urgently to provide relief and ensure the industry is positioned to rebound from the unprecedented impact from the Coronavirus pandemic.

State Update:

We have been in daily contact with the Governor's office and General Assembly leadership to relay our concerns and ideas. Tuesday morning NC Governor Roy Cooper ordered closure of restaurants and bars effective at 5:00pm today. NCRLA actively lobbied for, and the Governor agreed, to allow delivery/takeout/drive-thru/grab-and-go operations and alcohol delivery. As a bonus, he allowed for outdoor service so long as it complies with social distancing guidelines.

We also pushed for unemployment benefits related to COVID-19 to be covered, and for the burden not to fall on employers. Cooper listened. Tuesday afternoon he announced that he is easing rules for jobless benefits related to the pandemic as follows:

- allows unemployment benefits for layoffs due to COVID-19
- removes 1-week waiting period
- removes requirement to look for work
- allows remote application
- **declares that employers will not be responsible for the payments**

At our urging, Governor Roy Cooper has applied for NC eligibility as an economic disaster area, so we have been working closely with NC Commerce Secretary Tony Copeland to ensure that hospitality businesses have access to SBA emergency loans of up to \$2 million per business. As soon as we have more details and instructions on how to apply, we will share those with the membership.

In regards to the NC General Assembly, we have called upon our grassroots today to let their elected leaders know that hospitality businesses are in a dire situation and that we need their help. We have had more than 3,500 emails sent as part of today's NCRLA call to action campaign which helped us share the urgent message that lawmakers should come back into session and provide relief quickly. We continue to reiterate the gravity of our situation and the need for immediate response and relief from policy makers at all levels of government.

Speaker Moore announced in a caucus meeting Tuesday that he is creating 3 task forces to be appointed this week that will address the crisis. We are working on a list of actions the General Assembly can take to help your business. While this is not a comprehensive list, these are some immediate ways to offer a lifeline to hospitality employers and employees. We welcome your feedback on this list and items we may have overlooked:

- Defer quarterly and monthly payments by a minimum of 90 days and waive penalties on all manner of taxes to include:
 - Income – Gov. Cooper indicated today that the State will follow the IRS extension
 - Property
 - Franchise
 - Payroll
 - Sales & Use
 - Excise
 - Withholding
 - Occupancy and Meals
- Quick refund of overpayment of estimated taxes
- Mortgage, lease, and lending forbearance & debt forgiveness
- Continuation of utility services including phone and internet
- Disaster relief grants for businesses
- Delaying deadline for ABC permits renewals (Apr 30)



NC Restaurant
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- Expand and improve unemployment benefits and ensure that the burden doesn't fall to employers
- Allow SNAP flexibility for Low-Income Jobless Workers
- Not requiring health inspections on day-one upon reopening