



Garrett County Chamber of Commerce, Inc., 15 Visitors Center Drive, McHenry, MD 21541

April 6, 2020

The Honorable Larry Hogan
Office of the Governor
100 State Circle
Annapolis, Maryland 21401-1925

Re: Business Disaster Assistance

Dear Governor Hogan:

On behalf of the Garrett County Chamber of Commerce, representing 600 member organizations in our region, we thank you for your quick action to address the COVID-19 crisis ravaging our country and request immediate additional assistance for our businesses to mitigate the impacts. As the pandemic continues to rage on and the social distancing requirements have extended through the month of April, we implore you to consider the devastating effects our businesses and their employees are suffering.

The business community of Garrett County understands that necessary measures must be implemented to protect our communities and to assist with the prevention of the further spread of COVID-19. And while the businesses are willingly doing their part, the implications are severely impacting all industries. They are facing financial deficiencies due to mandated closures and loss of customers, as well as critical operating pressures resulting from reduced staffing and access to necessary supplies. Based on a recent survey by the Chamber, 69% of local businesses have had to reduce their workforce effecting more than 1250 employees and 88% have experienced a loss of business. In fact, 27% have already suffered more than \$50,000 in losses.

With the continued execution of these essential actions these impacts on business are growing exponentially. The long-term effects and economic fallout could be devastating and include permanent business closures.

We recommend the following additional actions be taken in an effort to help businesses survive this crisis:

- Cancel the payment of all Maryland payroll taxes typically paid by Maryland employers for the months of March, April, and May.





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- Prohibit all unemployment claims made during the COVID-19 crisis from being counted against an employer's experience rating.
- Support the Comptroller's recommendation to tap into the rainy-day fund to use \$500 million for business assistance.
- Appropriate additional funds for the Emergency Relief Loan Fund, Emergency Relief Grant Fund and the COVID-19 Layoff Aversion Fund. These programs have been a great source of assistance but the initial allocation of funds to these programs was woefully inadequate. The programs are nearly out of money and tens of thousands of businesses still desperately need help.
- Implement loan forgiveness for the Emergency Disaster Loan Fund for businesses that return to pre-coronavirus staffing levels within 60 days of the emergency declaration being lifted.
- Prohibit the use of the "virus/bacteria" exclusion by insurers for the COVID-19 pandemic and require insurers to provide Business Interruption Coverage for policies that were in force as of March 9, 2020.
- Defer sales tax payments until December 1, 2020.
- Provide corporate tax credit for employers that implemented remote work/telework to keep employees on payroll.
- Establish a Tourism/Hospitality Stabilization fund at the Maryland Department of Commerce to help severely impacted, financially distressed businesses & tourism-based economies. Tourism is the 10th largest industry in the State employing 150,000 workers and generating \$2.5 billion in taxes. The tourism/hospitality industry and tourism-dependent communities have been hit particularly hard by the crisis and to survive and recover need dedicated resources through:
 - Unsecured, no interest loans that would be used for certain obligations such as rent, utilities, insurance and payroll.
 - Infusion of additional marketing dollars to Maryland Office of Tourism Development and to local Destination Marketing offices necessary to jumpstart post-disaster recovery to reignite travel to these tourism dependent communities.
- Require state agencies to promptly pay small business contractors.

Maryland must provide additional immediate relief to tend to the welfare of its businesses in an effort to prevent the complete destruction of our economy. According to our survey 52% of businesses are under





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duress and worried. We can neither lessen the impacts nor contemplate the hope of a recovery without your immediate and decisive action.

On behalf of our business community, workers and their families, we thank you for your consideration.

Sincerely,

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CC: Peter Franchot, Maryland Comptroller
Kelly Schulz, Secretary of Commerce
Tiffany Robinson, Secretary of Labor
Al Redmer, Maryland Insurance Administration Commissioner
Mark Widmyer, Office of the Governor
Senator George Edwards
Delegate Wendell Beitzel
Paul Edwards, Chair, Garrett County Board of County Commissioners

