

Relief for Restaurants and Other Hard Hit Small Business Act of 2022 passes the House



Scott N. Opincar | Tuesday, April 12, 2022

As part of the American Rescue Plan, Congress approved a \$28.6 billion Restaurant Revitalization Fund (RRF), which provided federal grants to eligible foodservice and drinking establishments like restaurants, bars, caterers, breweries, taprooms, and tasting rooms. The RRF is administered by the U.S. Small Business Administration (SBA). Under the RRF, restaurants and bars were eligible for economic aid equal to their pandemic-related revenue loss, with a cap of \$10 million per business and \$5 million per location. The funds were available for certain eligible uses, like payroll and rent. On July 5, 2021, the SBA announced that applicants had been approved to receive RRF grants in the aggregate amount of \$28,574,979,472, and more than 278,000 submitted eligible applications representing over \$72.2 billion in requested funds.

On July 20, 2021, House Committee on Small Business ranking member Blaine Luetkemeyer (Republican from Missouri's District 3) introduced H.R. 4568 – Entrepreneurs Need Timely Replenishment for Eating Establishments (ENTRÉE) Act, which, if enacted, would have amended the American Rescue Plan to provide an additional \$60 billion of appropriations for, and oversight of, the RRF. The ENTRÉE Act stalled in Congress and was never enacted.

On April 7, 2022, the U.S. House of Representatives voted yes (223-203) on a bill, the Relief for Restaurants and Other Hard Hit Small Business Act of 2022 (the “Relief for Restaurants Act”), that would provide \$42 billion in relief to foodservice businesses that originally applied for the RRF, and an additional \$13 billion to other businesses that were hit hard during the pandemic, including live event venues, gyms, and sports

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teams. Four Democrats opposed the Relief for Restaurants Act, while six **Republicans** voted for it.

The Relief for Restaurants Act would:

- Provide \$42 billion of additional funds to foodservice businesses that originally applied for a grant under the RFF, but did not receive any grant funds.
- Be partially paid for from funds recovered by the federal government from entities that defrauded past pandemic relief programs, such as the Paycheck Protection Program.
- Provide \$13 billion to establish the Hard Hit Industries Award Program, which will assist small businesses with 200 or fewer employees that have experienced 40 percent or more in lost revenue.
- Update the Shuttered Venue Operators Grant Program to provide entertainment venues with more time and flexibility to use federal relief funds.

Republicans in the Senate are generally opposed to additional federal stimulus programs like the Relief for Restaurants Act. Both the House and Senate left for a two-week recess on April 7, 2022, meaning any further action on the bill is stalled in the near future.



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