

HOUSE RESOLUTION NO. 278

Reps. Koleszar, Rabhi, Greig, Hood, Clemente, Sowerby, Witwer, Ellison, Manoogian, Sabo, Hammoud, Anthony, Brixie, Pohutsky, Wittenberg, Brenda Carter, Shannon, Yancey, Kennedy, Hertel, Elder, Cambensy, Cynthia Neeley, Lasinski, Camilleri, Kuppa, Tyrone Carter and Cherry offered the following resolution:

1 A resolution to memorialize the Congress of the United States
2 to take action to support small businesses and create the COVID-19
3 Business and Employee Continuity and Recovery Fund.

4 Whereas, The COVID-19 Pandemic has had a profound impact on
5 American life. Since the virus first arrived in the United States
6 in January, more than 2 million Americans have been infected and
7 more than 110,000 have succumbed to the virus. In Michigan, nearly
8 60,000 cases have been confirmed and more than 5,500 have died;
9 and



1 Whereas, The virus has also brought unprecedented economic
2 disruption. In order to contain the Pandemic, public health
3 officials, including Governor Gretchen Whitmer and the White House
4 Coronavirus Task Force, have recommended or ordered the closure of
5 nonessential businesses. These closures have contributed to the
6 most severe economic downturn since the Great Depression; and

7 Whereas, While there is hope of a swift recovery as many
8 businesses begin to reopen, the full economic effect of the
9 Pandemic remains to be determined. While many businesses have been
10 closed or faced reduced revenue as a result of the Pandemic, they
11 were still required to pay essential costs such as mortgages, rent,
12 and utilities. A recent survey found that more than half of all
13 small businesses are at risk of permanently closing in the next six
14 months. In Michigan, about 14 percent of businesses have reported
15 that they may not be able to survive the Pandemic; and

16 Whereas, The government has a responsibility to help small
17 businesses weather the Pandemic's effects. The temporary closure of
18 nonessential businesses, while necessary to protect public health,
19 was government-ordered. It would be unjust to allow these
20 businesses to fail because they complied with the orders; and

21 Whereas, Failing to support small businesses will magnify the
22 economic devastation already wrought by the virus. Small businesses
23 are a major source of employment and economic activity in Michigan
24 and the United States. Allowing millions of small businesses to
25 fail will leave tens of millions of Americans out of work and
26 hinder the entire economy's recovery; and

27 Whereas, The small business aid already enacted by Congress
28 has not been enough to meet the size of the crisis. The Paycheck
29 Protection Program (PPP), created by the Coronavirus Aid, Relief,



1 and Economic Security (CARES) Act to provide low-interest loans to
2 small businesses, has been insufficient to provide relief to the
3 millions of small businesses affected by the crisis. Specifically,
4 the Small Business Administration Inspector General found that the
5 program may have failed to provide loans to rural and minority- and
6 women-owned businesses. In addition, many business owners have
7 complained the program's rules on the use of funds are too
8 restrictive, and that aid cannot be used for critical expenses,
9 including rent and utilities; and

10 Whereas, Creating the COVID-19 Business and Employee
11 Continuity and Recovery Fund would address the shortfalls of the
12 PPP and provide much needed relief to small businesses. The
13 recovery fund would provide grants to businesses to be used for
14 essential operating expenses. The program would give priority to
15 businesses in rural communities and those owned by women or
16 minorities; now, therefore, be it

17 Resolved by the House of Representatives, That we memorialize
18 the Congress of the United States to take action to support small
19 businesses and create the COVID-19 Business and Employee Continuity
20 and Recovery Fund; and be it further

21 Resolved, That copies of this resolution be transmitted to the
22 Speaker of the United States House of Representatives, the
23 President of the United States Senate, and the members of the
24 Michigan congressional delegation.

