



November 24, 2020

The Honorable Tim Walz, Governor
State of Minnesota
130 State Capitol
75 Dr. Reverend Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Dear Governor Walz,

On behalf of hundreds of thousands of businesses and more than 80 local chambers of commerce and trade associations across Minnesota, we urge you to ensure that when the December Special Session convenes, your administration and the legislature provide immediate support to those businesses and their employees most at risk of closure due to issuance of Executive Order 20-99.

Since the outbreak of COVID-19, the business community has shared the responsibility of balancing the need for public health protections while absorbing the economic blows from the loss of customers and business activity. Small and mid-sized, Minnesota-based businesses, along with their employees have been severely impacted. Following the limits placed on operations and capacity since March of this year and now with the new pause in operations until December 18, their economic future is more precarious than ever before.

We share the goal of mitigating the spread of the virus and protecting the private sector economy. The impact of community spread on businesses through the loss of workforce and customers is a serious matter. At the same time, businesses most directly impacted by closures, especially with very short notice, deserve assistance from government.

Immediate, targeted assistance is needed for these employers to remain viable. Businesses most at risk of permanent closure include those in the hospitality industry, health and fitness facilities, event and entertainment facilities, and any business that has experienced state-imposed restrictions and operating limitations. The following provisions would provide support to those businesses and their employees most at risk of closure:

- Replenish the Small Business Grant Relief Program passed in June during the first Special Session and increase the available grant amounts as the need has greatly surpassed the initial allocation. Impacted businesses simply cannot take on more debt and cash for operations is urgently needed.
- Provide a quick refund request option for businesses that have overpaid estimated taxes in Minnesota. This is currently allowed at the federal level (Federal Form 4466).
- Allow for a six-month extension of the sales tax remittance.
- Provide property tax relief through an abatement process for property taxes paid in 2020.
- Provide an automatic extension of estimated income tax payments with waiver of penalties and interest for business taxpayers until April 15, 2021.

- Create a temporary state tax credit for food donations for those businesses that have donated inventory that cannot be used due to shutdowns.
- Waive or delay other state-imposed fees such as general business or industry-specific annual licensing fees until spring 2021.
- Temporarily allow unused Workforce Development Fund dollars to be repurposed to provide relief directly to impacted businesses (the fund currently has a \$30 million balance).
- Continue to ensure that unemployment insurance claims made related to the COVID-19 pandemic are not counted against employers' experience rating.
- Return a proportional amount of the state Renewable Development Account for Xcel customers to impacted businesses in the form of a bill credit that is equivalent to the amount which the business paid in. Suspend Renewable Development Account assessments for these businesses for a minimum of six months beginning January 1, 2021.

As business organizations, we have helped to ensure our members have done all that you have asked of them. They have closed, reopened at reduced capacity, and closed again. They have instituted health and safety protocols for their workers and customers and adhere to the preparedness plans in place. They have done everything you have asked of them. But they need your help right now - Main Street Minnesota needs your help.

We know Congress must take immediate action to provide federal relief and support to Minnesota's businesses and employees to diminish these devastating economic impacts. But Minnesota can help, and it must do its part.

Thank you for your consideration and prompt action. We remain committed to the safety of Minnesotans and to helping Minnesota's economy come back stronger than ever.

MINNEASOTA READY COALTION IN SUPPORT OF IMMEDIATE ASSISTANCE FOR BUSINESSES