



New Mexico
Restaurant
Association

Help your local restaurant!

New Mexico restaurants are suffering like no other industry in New Mexico.

- 47,000 employees have been laid off that's out of 71,700 employees before the COVID-19 closure. Two-thirds of all restaurant employees have been laid off or furloughed.
- 40% have closed temporarily. 48% anticipate temporary closure during the next 30-days.
- 3% of restaurants have already closed permanently.
- 3% of restaurants say they will have to permanently close if the stay-at-home order lasts through May.
- Restaurants also reported a 61% decline in sales for those that remain open.
- In April the NM Restaurant industry will lose more than \$230 Million in sales.
- There are 3,500 restaurants in NM.

All restaurants will struggle to reopen since their cash reserves have been depleted and suppliers are demanding cash on delivery.

Restaurants need help if we are going to recover.

We ask the state government to help implement a Responsible Restaurant Reopening Schedule (attached) to begin reopening no later than May 1, 2020 - Restaurants need a clear plan that will allow their businesses to reopen as soon as possible with guidelines set in partnership with the New Mexico Restaurant Association (attached). If it is not possible to open the entire state, a **county-by-county approach** is another way to restart the economic engine and continue to protect the most vulnerable communities.

As Congress works to provide an immediate financial lifeline for restaurant operators as part of the purview of the state's leaders. Specifically, we ask for your immediate help with the following proposals targeted at our industry during this time of uncertainty:

Set up a Restaurant and Tourism Tax Credit - Duplicate the Film Credit program for restaurants to get back on their feet. Specifically, New Mexico should offer a 30% refundable tax credit for qualifying restaurants.

About the New Mexico Restaurant Association:

The New Mexico Restaurant Association's mission is to empower the food and beverage industry by promoting and protecting common values and interests. It has more than 1,300 members in 111 cities all over New Mexico, who join together for meetings, food safety and alcohol server education. It has actively represented and promoted the food service industry in New Mexico since 1946, 75 years. For more information on NMRA, visit nmrestaurants.org.



New Mexico
Restaurant
Association

Allow Off-Premise Alcohol Sales for Restaurants - Restaurants will be slow to regain full dining capacity even when the state of emergency is lifted and should be allowed to sell alcohol with food to go.

Restart Grants - Restaurants have been disproportionately affected by mandated shutdowns and operate on a unique, razor-thin business model. Providing restaurants with restart grants in the amount of 2 X Monthly Payroll will allow thousands of restaurants to re-open, support key suppliers, pay deferred debts and bring back workers currently on unemployment more quickly than all other New Mexico businesses. Shuttered restaurants will soon be New Mexico's newest "startups" and will require working capital to re-open and re-hire tens of thousands of New Mexicans quickly.

Freeze Unemployment Insurance Rates - Direct a portion of the rainy day fund and/or federal stimulus dollars to replenish the Unemployment Trust Fund to freeze unemployment insurance rates for restaurants through December 2022. Restaurants, as well as their employees, were the victims of state closures that were mandated and resulting out of control not resulting from any factors within the control of restaurant operators.

Access the State's Rainy Day Fund (Capital Outlay) - Join the multiple states that have already accessed and appropriated additional and necessary funding to help small businesses. New Mexico's rainy day fund can be used to offset the impact of revenue declines and stabilize the state's fiscal health by supporting the state's unemployment insurance fund.

Suspend Gross Receipts Tax for Restaurants - The mandatory closures of restaurant dining rooms forced operators to fiercely manage cash flows while facing little to no revenue. There should be a moratorium for restaurants paying gross receipts tax through December 31st, 2020. Then lower the GRT rate for all businesses by including GRT on groceries.

Forgive License Fees and Freeze All Non-Essential Regulatory Changes - All annual state, county, and city license fees need to be forgiven through December 2021 - including alcohol beverage control fees, health permit fees, and business license fees.

Support State and Federal Efforts as it Relates to Business Interruption Insurance - COVID-19 must be included in the triggers that allow restaurant owners to make claims (around business interruption) as dining rooms were shut down due to state directives. The Governor's office should work with Federal officials to add this to future stimulus packages or support insurance companies by encouraging them to approve restaurants COVID-19 claims with the state acting as payment administrators.

About the New Mexico Restaurant Association:

The New Mexico Restaurant Association's mission is to empower the food and beverage industry by promoting and protecting common values and interests. It has more than 1,300 members in 111 cities all over New Mexico, who join together for meetings, food safety and alcohol server education. It has actively represented and promoted the food service industry in New Mexico since 1946, 75 years. For more information on NMRA, visit nmrestaurants.org.



New Mexico
Restaurant
Association

Defer Insurance Premiums - Direct New Mexico's Insurance Commissioner to prevent all insurance carriers from canceling insurance coverage and offer deferral for 90 -days on premium payments for general liability, worker's compensation and health insurance policies.

Emergency Forbearance and Rent Abatement Program - would preserve the ability of hospitality and travel dependent businesses to survive the travel restrictions and business closures mandated by many states and local governments, preventing commercial landlords from terminating or evicting business tenants for at least 90 days. We also request that rent payments be abated during this time. Once normal business operations resume, tenants and landlords would then be able to renegotiate the terms of continued occupancy.

We urge the Governor to consider taking executive action where possible or propose an emergency special session to help these businesses struggling to survive.

About the New Mexico Restaurant Association:

The New Mexico Restaurant Association's mission is to empower the food and beverage industry by promoting and protecting common values and interests. It has more than 1,300 members in 111 cities all over New Mexico, who join together for meetings, food safety and alcohol server education. It has actively represented and promoted the food service industry in New Mexico since 1946, 75 years. For more information on NMRA, visit nmrestaurants.org.