U.S. Senate
Washington, D.C. 20510

Dear Senator,

You will soon be considering S. 4008, the Small Business COVID Relief Act of 2022, which would authorize $48 billion in additional COVID-19 pandemic relief that is not fully offset and would add to the record high national debt. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste, I urge you to oppose S. 4008.

The Restaurant Revitalization Fund (RRF) was created by the American Rescue Plan Act (ARPA) in an effort to alleviate the revenue losses restaurants faced following restriction and mandates imposed during the COVID-19 pandemic. ARPA provided $28.6 billion, and S. 4008 proves another $40 billion for the fund. The RRF has been replete with wasteful and duplicative government spending. Some restaurants that received RRF funds were also able to obtain money from similar programs created by state governments, and even with the extra money, the restaurants still closed their businesses. The RRF has also been plagued by operational errors and mismanagement, including accepting and processing loan applications after the application deadline had passed and the fund had run out of money. S. 4008 favors those businesses that were too late in applying for prior relief money through the RRF, and places other business owners who looked for alternatives or made changes to stay in business at a disadvantage.

S. 4008 also provides $8 billion for other businesses that were adversely affected by the COVID-19 pandemic, including $2 billion for gyms and live event venues, $2 billion for transportation service providers including buses and ferries, $500 million for minor league sports teams, and $1.4 billion for small businesses that are located near ports of entry. This new spending comes after the Small Business Administration (SBA) has distributed $416.3 billion in relief funds to businesses in fiscal year 2021 through a variety of programs including the Paycheck Protection Program, the RRF, the Shuttered Venue Operators Grant Program, and the Economic Injury Disaster Loan Program. Several of these programs helped businesses navigate economic uncertainty in the wake of the COVID-19 pandemic, but it is clear that the federal government has already spent more than enough on pandemic recovery, with as much as $400 billion remaining unspent and many states flush with cash.

S. 4008 would cause inflation to continue to rise and lead to more duplicative and wasteful spending. The bill is only partially offset and would cause the national debt to grow even larger. For these reasons, I urge you to vote against S. 4008. All votes related to S. 4008 may be among those considered for CCAGW’s 2022 Congressional Ratings.

Sincerely,

Tom Schatz