



April 15, 2020

Governor Inslee,

There is an immediate and urgent need for additional financial assistance to small businesses in Washington State. The Washington Trust for Historic Preservation (WTHP) joins the National Federation of Independent Business (NFIB) in requesting that you designate eligible federal assistance, provided to Washington State through the federal CARES Act or other resources, to increase funding for the Working Washington Small Business Emergency Grant program to \$50 million.

In early April 2020, a [survey](#) conducted by the National Main Street Center reached nearly 6,000 small businesses across the country. The data warns of a bleak economy unless policymakers prioritize small businesses immediately. National Main Street Center's report indicates that of the nation's approximately 30 million small businesses, nearly 7.5 million may close permanently over the coming five months, and 3.5 million are at risk of closure in the next two months. Approximately 35.7 million Americans employed by small businesses appear to be at risk of unemployment. NFIB survey [results](#) show similar trends, with half of small businesses unlikely to survive more than two months without assistance.

Data specific to Washington State small businesses demonstrates unprecedented need:

- Over 75% of respondents stated that employees are at risk of unemployment and/or layoff
- 91% reported loss of revenue and 36% reported added expenses to mitigate public health risks
- 64% reported that their business revenue has decreased by more than 75% since COVID-19 became a widespread concern in early March
- When asked if business disruption continues at the current rate how soon will your business be at risk of closing permanent, approximately 1/3 answered 1-2 months and 1/3 answered 3-5 months
- Top concerns include losing work (clients, projects, sales, customer traffic), paying this month's rent or mortgage, employees' financial welfare, and accessing government support.

To gather additional information, the WTHP conducted a series of focus groups to discuss needs and potential mitigation measures with the executive directors of designated Washington Main Street Communities. The unanimous top priority amongst these local community leaders was for **emergency funding in the form of small business grants.**

While loans from the federal CARES Act are slowly being deployed, there remain critical voids. Small businesses, especially those with 20 or fewer employees, need immediate assistance.

We commend your directive to the Department of Commerce to establish the Working Washington Small Business Emergency Grant program but are hearing from our constituents that those funds are in high demand and short supply. As such, we ask that you designate additional funds, through eligible federal assistance, to increase the grant pool to \$50 million. If federal funds are inadequate, our organizations will urge the Legislature, in special session, to consider additional state appropriations.

In addition to the critical increase in grant funds available, we urge the Governor and Legislature to:

- Maintain criteria that eligible businesses are defined as those that have 10 or fewer employees
- Ensure that a minimum of 30% of grants are set aside for small businesses located in rural counties, where city- and county-wide financial resources are less common

- Ensure quick and easy access to funds to meet the needs of small businesses facing imminent, permanent closure

Small, independent businesses contribute in innumerable ways to Washington's economy and Washingtonians' sense of place and quality of life – making up 99 percent of all businesses and employing half the state's private-sector workforce. Acting now to address the urgent needs these businesses are facing will help ensure that our communities are strong, resilient, and connected throughout the uncertainty of these challenging times.

Thank you for your consideration,



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