To establish a $120,000,000,000 Restaurant Revitalization Fund to provide structured relief to food service or drinking establishments through December 31, 2020, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2020

Mr. WICKER (for himself, Ms. SINEMA, Mr. GRAHAM, and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish a $120,000,000,000 Restaurant Revitalization Fund to provide structured relief to food service or drinking establishments through December 31, 2020, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Real Economic Sup-
5 port That Acknowledges Unique Restaurant Assistance
6 Needed To Survive Act of 2020” or the “RES-
7 TAURANTS Act of 2020”.

SEC. 2. DEFINITIONS.

In this Act:

(1) AFFILIATED BUSINESS.—The term “affiliated business” means a business in which an eligible entity has an equity or right to profit distributions of not less than 50 percent, or in which an eligible entity has the contractual authority to control the direction of the business, provided that such affiliation shall be determined as of any arrangements or agreements in existence as of March 13, 2020.

(2) COVERED PERIOD.—The term “covered period” means the period beginning on February 15, 2020, and ending on December 31, 2020.

(3) ELIGIBLE ENTITY.—The term “eligible entity”—

(A) means a restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, or other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink;

(B) includes an entity described in subparagraph (A) that is located in an airport terminal; and

(C) does not include an entity described in subparagraph (A) that—
(i) is part of a State or local government facility; or

(ii) as of March 13, 2020, owns or operates (together with any affiliated business) more than 20 locations, regardless of whether those locations do business under the same or multiple names.

(4) FUND.—The term “Fund” means the Restaurant Revitalization Fund established under section 3.

(5) PAYROLL COSTS.—The term “payroll costs” has the meaning given the term in section 7(a)(36)(A) of the Small Business Act (15 U.S.C. 636(a)(36)(A)).

(6) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

SEC. 3. RESTAURANT REVITALIZATION FUND.

(a) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the Restaurant Revitalization Fund.

(b) APPROPRIATIONS.—

(1) IN GENERAL.—There is appropriated to the Fund, out of amounts in the Treasury not otherwise appropriated, $120,000,000,000, to remain available until December 31, 2020.
(2) REMAINDER TO TREASURY.—Any amounts remaining in the Fund after December 31, 2020, shall be deposited in the general fund of the Treasury.

(c) USE OF FUNDS.—The Secretary shall use amounts in the Fund to make grants described in section 4.

SEC. 4. RESTAURANT REVITALIZATION GRANTS.

(a) IN GENERAL.—The Secretary shall award grants to eligible entities in the order in which applications are received by the Secretary.

(b) REGISTRATION.—The Secretary shall register each grant awarded under this section using the employer identification number of the eligible entity.

(c) APPLICATION.—

(1) IN GENERAL.—An eligible entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) CERTIFICATION.—An eligible entity applying for a grant under this section shall make a good faith certification—

(A) that the uncertainty of current economic conditions makes necessary the grant re-
quest to support the ongoing operations of the eligible entity;

(B) acknowledging that funds will be used to retain workers and maintain payroll or for other allowable expenses described in subsection (e);

(C) that the eligible entity does not have an application pending for a grant under subsection (a)(36) or (b)(2) of section 7 of the Small Business Act (15 U.S.C. 636) for the same purpose and duplicative of amounts applied for or received under this section; and

(D) that, during the covered period, the eligible entity has not received amounts under subsection (a)(36) or (b)(2) of section 7 of the Small Business Act (15 U.S.C. 636) for the same purpose and duplicative of amounts applied for or received under this section.

(3) HOLD HARMLESS.—An eligible entity applying for a grant under this section shall not be ineligible for a grant if the eligible entity is able to document—

(A) an inability to rehire individuals who were employees of the eligible entity on February 15, 2020; and
(B) an inability to hire similarly qualified employees for unfilled positions on or before December 31, 2020.

(d) Priority in awarding grants.—During the initial 14-day period in which the Secretary awards grants under this section, the Secretary shall—

(1) prioritize awarding grants to marginalized and underrepresented communities, with a focus on women, veteran, and minority-owned and operated eligible entities; and

(2) only award grants to eligible entities with annual revenues of less than $1,500,000.

(e) Grant amount.—

(1) Aggregate maximum amount.—The aggregate amount of grants made to an eligible entity and any affiliate businesses of the eligible entity under this section shall not exceed $10,000,000.

(2) Determination of grant amount.—

(A) in general.—The amount of a grant made to an eligible entity under this section shall be based on the difference in revenues or estimated revenues of the eligible entity during a calendar quarter in 2020 selected by the eligible entity as compared to 95 percent of the rev-
venues of the eligible entity in the same calendar quarter in 2019.

(B) Verification.—An eligible entity shall submit to the Secretary such revenue verification documentation as the Secretary may require to determine the amount of a grant under subparagraph (A).

(C) Repayment.—Any amount of a grant made under this section to an eligible entity based on estimated revenues in a calendar quarter in 2020 that is above the actual revenues of the eligible entity during that calendar quarter shall be converted to a loan that has—

(i) an interest rate of 1 percent; and

(ii) a maturity date of 10 years beginning on January 1, 2021.

(3) No Duplication of Benefits.—An eligible entity that received a loan under section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)) may not apply for or use grant amounts under this section for the same expenses for which the eligible entity received the loan.

(4) Limitation.—An eligible entity may not receive more than 1 grant under this section.

(f) Use of Funds.—
(1) IN GENERAL.—During the covered period, an eligible entity that receives a grant under this section may use the grant funds for the following expenses incurred as a direct result of the COVID–19 pandemic:

(A) Payroll costs.

(B) Payments of principal or interest on any mortgage obligation.

(C) Rent payments, including rent under a lease agreement.

(D) Utilities.

(E) Maintenance expenses, including—

(i) construction to accommodate outdoor seating; and

(ii) walls, floors, deck surfaces, furniture, fixtures, and equipment.

(F) Supplies, including protective equipment and cleaning materials, as required by applicable public health departments.

(G) Food and beverage expenses that are within the scope of the normal business practice of the eligible entity before the covered period.

(H) Debt obligations to suppliers that were incurred before the covered period.
(I) Any other expenses that the Secretary determines to be essential to maintaining the eligible entity.

(2) RETURNING FUNDS.—If an eligible entity that receives a grant under this section permanently ceases operations on or before December 31, 2020, the eligible entity shall return to the Treasury any funds that the eligible entity did not use for the allowable expenses under paragraph (1).

(3) CONVERSION TO LOAN.—Any grant amounts received by an eligible entity under this section that are unused after December 31, 2020, shall be immediately converted to a loan with—

(A) an interest rate of 1 percent; and

(B) a maturity date of 10 years.

(g) TAXABILITY.—For purposes of the Internal Revenue Code of 1986—

(1) the amount of a grant awarded to an eligible entity under this section shall be excluded from the gross income of the eligible entity;

(2) no deduction shall be denied or reduced, no tax attribute shall be reduced, and no basis increase shall be denied, by reason of the exclusion from gross income provided by subsection; and
(3) an eligible entity that receives a grant under this section shall not be eligible for the credit described in section 2301 of the CARES Act (Public Law 116–136).

(h) REGULATIONS.—Not later than 15 days after the date of enactment of this Act, the Secretary shall issue regulations to carry out this section without regard to the notice and comment requirements under section 553 of title 5, United States Code.

(i) APPROPRIATIONS FOR STAFFING AND ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—There is appropriated to the Secretary, out of amounts in the Treasury not otherwise appropriated, $200,000,000, to remain available until December 31, 2020, for staffing and administrative expenses related to administering grants awarded under this section.

(2) SET ASIDE.—Of amounts appropriated under paragraph (1), $60,000,000 shall be allocated for outreach to traditionally marginalized and underrepresented communities, with a focus on women, veteran, and minority-owned and operated eligible entities, including the creation of a resource center targeted toward these communities.
SEC. 5. EMERGENCY DESIGNATION.

(a) IN GENERAL.—The amounts provided by this Act are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933(g)).

(b) DESIGNATION IN SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 4112(a) of H. Con. Res. 71 (115th Congress), the concurrent resolution on the budget for fiscal year 2018.