



ROBERT SPRAGUE

OHIO TREASURER

NEWS RELEASE

FOR IMMEDIATE RELEASE

Thursday, September 17, 2020

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Treasurer Sprague Calls for Small Business Relief through Remaining CARES Act Funds

COLUMBUS – Ohio Treasurer Robert Sprague is calling for at least \$100 million in the state’s remaining federal CARES Act allocation to be used for the creation of small business grants. The grants would provide much-needed support and relief to Ohio’s job creators severely impacted by the ongoing pandemic. The proposal has already garnered support from several of Ohio’s leading business associations, including the National Federation of Independent Business (Ohio) and the Ohio Restaurant Association, whose members continue to be adversely impacted by the challenges and uncertainty caused by the ongoing COVID-19 pandemic.

“For more than six months now, Ohioans have confronted COVID-19 with courage and resolve – two characteristics indelible to the Buckeye State,” said Treasurer Sprague. “However, the long-term effects this pandemic has on our economy remain unpredictable. With thousands of small businesses across the state closed or operating at a limited capacity, now is the time to utilize this federal relief to support Ohio’s small businesses and the families who depend on them.”

The federal Paycheck Protection Program (PPP) included in the CARES Act provided temporary relief for businesses that faced the onset of COVID-19’s many challenges. However, small businesses continue to face uncertainty as Ohio continues to combat this once-in-a-century pandemic.

According to the US Treasury’s official [Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments](#), federal CARES Act funds may be used for “expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.” (Page 4; Bullet 5).

Treasurer Sprague is proposing a streamlined, reimbursement-based grant program to cover eligible expenditures (to be determined by the Ohio General Assembly) to assist small businesses negatively impacted by the coronavirus pandemic.

“NFIB is very supportive of leveraging CARES Act dollars to support small businesses still struggling to recover from the pandemic,” said Roger Geiger, Executive Director for NFIB in Ohio. “PPP loans have been exhausted, and any funds made available can help entrepreneurs stay afloat and maintain jobs for their employees as they support their local communities. Remember, this is a pandemic that our state’s entrepreneurs did not create and cannot fix, so all levels of

government must step in and assist where they can. The best thing Ohioans can do to save their local family-run businesses is to shop and support those businesses like they never have before.”

Geiger added that a staggering 78 percent of Ohio small businesses are seeing significant revenue losses, with many reporting a hit of 50 percent or greater.

Some local governments, including Ashtabula and Hamilton counties, have set up similar programs to support area businesses through the use of CARES Act funds. However, Treasurer Sprague’s proposal would leverage dollars to be used statewide, broadening the ability for more small businesses across Ohio to apply for added relief.

“Ohio’s restaurants remain committed to safely and excellently serving the communities we love so much,” said John Barker, President & CEO of the Ohio Restaurant Association. “But with the added costs of protective measures, capacity restrictions, and consumer confidence still not all the way back, Ohio’s restaurant, foodservice and hospitality industry is in dire need of financial support during the unprecedented impact of the pandemic crisis. Today, more than 80% of Ohio’s restaurants fear they will not break-even in 2020 and many believe they may not survive the next six to nine months.”

“The Ohio Restaurant Association strongly supports Ohio Treasurer Sprague’s initiative to allocate a portion of CARES Act funds to help small businesses and independent owners and operators in order to run their businesses, employ Ohioans and fuel the economy.”

On Monday, the [National Restaurant Association](#) announced that nearly 1 in 6 restaurants across the nation have either closed permanently or long-term as a result of the pandemic; resulting in nearly 3 million American workers being out of work. Through a recent survey, the national association also reported “that 40% of operators think it is unlikely their restaurant will still be in business six months from now if there are no additional relief packages from the federal government.”

CARES Act funds must be allocated and spent by December 31, 2020.

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Robert Sprague became Ohio’s 49th Treasurer of State on January 14, 2019, bringing to the office his extensive experience working on financial matters in both the public and private sectors. Under Treasurer Sprague’s direction, the office manages the state’s \$29 billion investment and \$11 billion debt portfolios, collects and deposits all state revenues, and oversees custodial assets.

