

David Norman

David Norman

Chief Executive Officer

Honorable Chair and Members of the

House Ways and Means Committee

Room 131

House Office Building

Annapolis, Maryland 21401

Re: House Bill 495

Dear Chairman Kaiser and Members Attar and Palakovich Carr:

I am taking the time from shoveling out our cars to plead with you to reconsider whether House Bill 495 is an appropriate response to the crisis which we as Marylanders and Americans find ourselves in. I am a long time member of the Maryland restaurant industry, as well as a long time resident of District 41. The past year has seen devastation among numerous small and large businesses in Maryland, but almost no industry has suffered to the extent of the Hospitality sector, and more specifically the restaurant industry. We have had to endure waves of complete shut-downs (unlike other retail businesses), then were told by our local jurisdictions to invest in special purpose safety equipment and expensive outdoor dining furniture and heaters, and then shut down again despite the precautions we invested in.

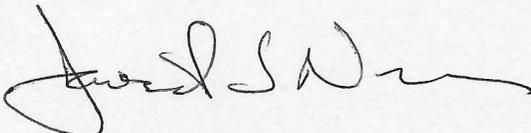
As I am sure you are well aware, our industry is not primarily oriented to economic survival based upon carry-out and delivery (with the possible exception of some pizza and deli locations). The losses we have suffered in 2020 were only slightly lessened by the Federal PPP loan program, and restaurants large and small are closing or filing bankruptcy on a daily basis. Just this past July, one of the largest restaurant franchisee groups, which operates all of the Wendy's and many of the Pizza Huts in Maryland, filed for bankruptcy and is in the process of selling those restaurants which it can, after closing hundreds. Other restaurant owners have chosen to "hibernate" this Winter, in the hopes that there will be a financially viable way to reopen their restaurants in the Spring or Summer (outdoor dining is not an attractive option year round in Maryland, as this weekend's weather demonstrates).

While the restaurant industry is one which is fraught with economic risk, many of the restaurant owners were at least making a profit, and thus paying taxes, prior to 2020 and the Pandemic. In lieu of a considerable restaurant specific package of grants to allow restaurant owners to stay open and to retain the diversity of life experience which the restaurants provide to Maryland's residents, not passing House Bill 495, and allowing restaurant owners to carry back their losses to years in which they made a profit and paid Maryland taxes would be a critical piece of aid helping them to survive until sufficient numbers of us are vaccinated and life can return to (somewhat) normal.

The survival of the restaurant industry is not only critical for those of us how have invested our lives and our savings in restaurants, but it is essential for the economic well-being of the State of Maryland. As the Aspen Institute report established, one out of every four Americans gets their first job in the restaurant industry, and one out of every two Americans works in a restaurant industry associated job at some point in their lives. All communities in Maryland are touched by this - there are well over 100+ restaurants in Baltimore City which are owned by Blacks, and similarly a large number owned by immigrants from all countries around the world. Minorities occupy many of the jobs in the restaurants in Maryland, and are disproportionately impacted by the shut downs, layoffs and job losses. It is my hope that the Legislature will do everything in its power to help save these jobs and this diversity of experience in Maryland. Rethinking House Bill 495 would be a great place to start.

Thank you for your service to Maryland, and for your attention to this letter.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'David J. Norman', with a stylized, flowing script.

David J. Norman

CEO, DavCo Restaurants, LLC