A CHECKLIST FOR HOW TO REVITALIZE THE INDUSTRIES HIT HARDEST BY COVID-19

In both July and September 2020, Pioneer Institute released in-depth analyses of the industries that have been most adversely impacted by the COVID-19 pandemic. What follows is a condensed checklist of steps that policymakers and business owners can take to reinvigorate economic activity and employment. Safely restoring economic activity is of paramount importance to the well-being of all Massachusetts residents.

FOR POLICYMAKERS

Immediate Relief

Temporary Federal Relief Measures

- Redirect funding from some federal grant programs to immediate needs related to the COVID-19 crisis
- Enact a nationwide rent relief program targeted at small businesses
- Create federal incentives for lenders to extend debt payment deadlines for businesses

State and Local Relief Measures

- Explore the potential for an extended sales tax holiday for retail purchases to stimulate economic growth
- Allow alcoholic beverage takeout and delivery on a permanent basis and with fewer restrictions

- Allow restaurants to sell fresh produce, meats, and other whole foods by-right during the pandemic to compete more directly with grocery stores
- Expedite occupancy permits for related endeavors through prioritization and virtual inspections
- Prioritize local permitting for food trucks owned by restaurants
- Allow outdoor seating in parking lots and on sidewalks by-right while maintaining mobility and safety
- Allow food delivery, curb-side pickup, and drive-through arrangements by-right, giving authority to local officials to alter street design to facilitate these uses
- Incentivize large establishments (hotels, airports, malls, etc.) to add or rearrange seating and common spaces (lobbies, walkways, etc.) to facilitate social distancing
- Explore the benefits of providing legal immunity from COVID-19-related liability to establishments that demonstrate compliance with public health guidelines, implement touchless payment options, provide customers and staff with PPE, and make testing information available to workers

Tax Policy Changes

- Investigate the costs and benefits of temporarily suspending state and federal employer-side payroll taxes by comparing the cost of tax revenue losses with the multiplier effect of increased spending
- Expand and extend federal tax deductions and tax credits on capital purchases, inventory purchases, and COVID-19-related spending
Regulatory Reform

Federal Regulatory Reform

- Make national investments in sufficient broadband networks for small businesses and residences, especially in rural America, and work to identify areas without high-speed internet access on an ongoing basis.

- Form a congressional committee to investigate the impacts of recently enacted federal regulations on small businesses and to assess whether the regulations are having the intended effects.

State and Local Regulatory Reform

- Reduce or eliminate certain state licensing requirements for blue-collar occupations and allow individual employers to waive such requirements among their staff.

- Enact reforms that permanently redirect certain revenue streams to states’ stabilization funds while enabling greater flexibility of the usage of those funds during times of hardship.

- Institute federal or state refundable income tax credits to encourage consumers to support struggling businesses in hard-hit industries, especially brick-and-mortar stores.

- Consider suspending or reducing state sales taxes, especially as levied on hotel room occupancy and car rentals.

- Reduce or eliminate state corporate excise taxes, especially flat fees that disproportionately burden small businesses.

- Reform the process for obtaining liquor licenses by shifting control over the number of licenses available to the local level and away from the state Legislature.

- Impose a cap on commissions and sign-on fees for small businesses to use delivery services to get merchandise to customers.

- Investigate opportunities to reduce local start-up and permitting costs for businesses, including loosening eligibility requirements for existing state grant and loan programs and reducing restrictions on outdoor product displays, tent sales, and other points of sale on business property.

- Create opportunities for small businesses to form and thrive in a greater variety of neighborhoods by way of incremental zoning reform and proactive mitigation of local traffic, parking, and waste disposal concerns.
FOR BUSINESS OWNERS

COVID-19 Health & Safety Protocols

- Develop and implement order confirmation messaging that notifies customers when and how to receive their order and notifies the retailer when customers have arrived to pick up the order.
- On third-party review websites like TripAdvisor, create a platform where customers can leave reviews and ratings based on business adherence to COVID-19 reopening guidelines.

Steps to Improve Cash Flow

- As is practicable, offer flexible deposits and cancellations for bookings/appointments, which could include refund or voucher guarantees.
- Partner with other similar businesses on gift card programs and promotional offers.
- Target advertising campaigns to reach customers at their homes via interactive activities like cook-alongs.
- Expand customer seating and merchandise displays onto parking lots and sidewalks as permitted.

Expanded Services

- Partner with local upstream suppliers (farmers, manufacturers, etc.) to host community events.
- Partner with charitable organizations to provide merchandise to needy families.

FOR BUSINESS OWNERS

COVID-19 Health & Safety Protocols

- Invest in touchless payment options, personal protective equipment for staff, online tools, self-checkout, and other reforms that respond to COVID-19 concerns among customers.
- Post transparent summaries of implemented safety procedures at customer-facing points, including online.
- Prioritize marketing campaigns highlighting key COVID-19 safety measures.
- As is practicable, monitor customer health metrics prior to their entering the establishment.
- As is practicable, use Buy Online, Pickup In-Store (“BOPIS”) and expand delivery infrastructure.