STATE BOARD OF EQUALIZATION

Cindy Gompper-Graves Item # M1

Item Name: Impact of Covid-19 on PT Admin.

Meeting Date: 6/09/20 Minutes Exhibit #: 6.8

PUBLIC COMMENT

Good morning Chair and members of the Board

Thank you for allowing businesses to have a voice in your discussions.

Before I convey a request, I wanted to share some statistics with you.

According to SBA 2019 CA small business PROFILE-small businesses

- numbered 4 million and accounted for over 90% of all businesses in CA
- employed 7.1 million or 48% of private workforce

These numbers reflect small business is an important thread in the states economic prosperity. But the impacts of the world wide pandemic are devastating to them.

The LA Times reported last month that a survey done by the National Federation of Independent Businesses conveyed almost 50% of small businesses across the US are in danger of failing.

We have heard about national corporations filing for BK or closing some, or all, of their establishments during these past 2 months. Companies like JC Penny, Nordstrom, Soup Plantation just to name a few...but the impact of this national state of emergency is greater on the small businesses whose owners on the average make roughly \$70,000 annually and don't have abundant reserves to dip into to survive this.

This impact has caused businesses like hair and nail salons to close completely, while others businesses are trying to stay afloat by retooling their establishments-like a restaurant who went from dine-in seating to finding a way to create and market their new "take-out" service. Many businesses have had to reduce their workforce and now the business owners are working themselves doing multiple tasks for incredibly long hours.

When they are not working, they are trying to navigate how to stay alive-spending time seeking and applying for financial assistance to remain open. This, too, has impacted businesses. Law offices, accountants and others are burning the midnight oil trying to assist their clients by gathering data, preparing correspondence and other tasks related to their re-tooled or closed business.

When you are asking small businesses to comply with your standard process and procedures you are not recognizing the national state of emergency, not understanding the additional burden you are placing on these businesses who, today, have a high unparalleled risk of failure. And the phased reopening of these businesses-while it is good news- adds to their existing list of duties.

And now the request....

These are unprecedented times and it does call for unpresented action. I respectfully request you look at your processes and determine how you can make it easier for the small business community. Can you allow more time to process information-similar to what you did with the property tax statement deadline? Can time extensions be automatic and not have to complete another form? Can you waive or reduce or defer fees?

Thank you for your time and willingness to listen today. All assistance to reduce the burden on the small business owner is appreciated.