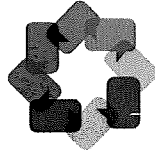


Maine Grocers &
Food Producers
Association
PO Box 5234
Augusta, ME 04332
207.622.4461
info@mgfpa.org



**RETAIL
ASSOCIATION OF
MAINE**
Voice of Maine Retail

Retail Association of Maine
45 Melville Street, Suite 1
Augusta, ME 04330
Tel: 207.623.1149 | Mobile:
207.240.7377
curtis@retailmaine.org
www.retailmaine.org

IN SUPPORT – LD 2191 An Act to Provide Relief to Small Businesses
Affected by Severe Weather-related Events
February 13, 2024

Dear Senator Curry - Chair, Representative Roberts - Chair, and the Committee on Innovation, Development, Economic Advancement and Business,

My name is Curtis Picard, and I am the president and CEO of the Retail Association of Maine. I am here on behalf of the Retail Association of Maine, and the Maine Grocers and Food Producers Association, testifying in joint support of **LD 2191 An Act to Provide Relief to Small Businesses Affected by Severe Weather-related Events**. First, we appreciate Senator Hickman for submitting this bill. His district was hit particularly hard after the December 18 storm, and he reached out to us knowing that a number of retailers, restaurants and grocers were hit hard.

Our business trade associations represent Main Street businesses including independently owned and operated grocery stores and supermarkets, general merchandise retailers, and convenience stores, food and beverage manufacturers, distributors and supporting partners — together representing more than 450 members statewide. Maine's retail sector employs more than 85,000 Mainers.

Unfortunately, as you all saw in the papers, on the news and social media, and may have experienced yourself, the December and January storms took a severe toll on our communities. The storms brought severe flooding, road washouts, and prolonged power outages, resulting in substantial losses for retailers, grocers, restaurants, and other small enterprises. In speaking with a number of small businesses, we learned of the vast scope of property damage, significant loss of goods and retail sales that will never be recuperated. While some, but not all, did have flood insurance, the high deductibles have been a challenge to meet and has put a further strain on working capital to try and reopen.

Maine's retailers and small businesses have been through a lot for a few years now, but the storm that came through central, western and eastern Maine in December was an incredible blow to many of our small businesses. These small businesses lost holiday sales that they'll never be able to recover. We also heard from a number of Maine's independent grocers who lost perishable food due to the prolonged power outages and equipment that has ceased operating due to flooding. Grocers operate on very small margins, so the loss of such significant amounts of produce and frozen goods was devastating. Many of these businesses has extra inventory on hand for the anticipated holiday rush, only for it to be lost to spoilage and closures.

In the wake of the December 2023 devastating storm, our two associations took proactive steps to support the numerous businesses affected across the state and we established the **Maine Business Relief Fund**¹. Inspired by a successful relief effort in Vermont following a similar catastrophe, the initiative aimed to provide crucial financial assistance to Maine's small businesses in their recovery from the storm's impact. The fund offered grants up to \$2,500 to cover expenses such as equipment replacement, operating expenses, supplies, and assistance with cleanup, etc. The goal was to help meet immediate needs until further support is available. The fund launched on January 4, 2024 and the acceptance of applications paused on January 26, 2024 in order to continue to fundraise.

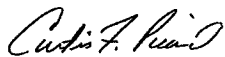
With private donations, we raised and disbursed more than \$400,000 to nearly 200 businesses. Applicants included restaurants, grocers, specialty gift shops, hair stylists, tourist and seasonal rentals, property managers, inns and hotels, daycares, breweries and farms. However, for the December storm alone, we received more than \$2.7M in requested funds from 369 applicants. Our fund does not begin to address the additional coastal flooding which occurred earlier in the year or the lack of snow that affects other seasonal businesses this time of year. There is evidently significant need for this funding.

Unfortunately, the need outweighs the available private funding. The storms' impacts were vast and took a devastating toll on so many of our towns. We are encouraged by the possibility of LD 2191's passage to provide substantial, additional financial relief that will be able to assist beyond our limited grant program.

We are grateful for the FEMA loans that are slowly becoming an available resource, however, it has been evident that immediate assistance is necessary. Additionally, loans, even low interest loans, are a challenge for so many businesses hesitant to take on additional debt.

Together with our partners from the Maine Business Relief Fund (Maine Tourism Association, Kennebec Valley Chamber of Commerce, Mid-Maine Area Chamber of Commerce, the Forks Chamber of Commerce, the Bethel Area Chamber of Commerce, Maine Development Foundation) we wholeheartedly ask for your support for LD 2129. Together, we can make a significant impact on the road to recovery for Maine's small businesses.

Thank you for the opportunity to provide testimony.



Curtis Picard, President & CEO,
Retail Association of Maine
45 Melville St., Augusta, ME 04330
curtis@retailmaine.org | 207-623-1149



Christine Cummings, Executive Director,
Maine Grocers & Food Producers Association
PO Box 5234, Augusta, ME 04332
christine@mgfpa.org | 207-622-4461

¹ <https://www.mainebusinessrelieffund.com/>