



## ICSC Current Legislative Priorities

The shopping center industry is critical to the economic, civic and social viability of communities across our nation. The majority of the estimated \$6.7 trillion of consumer activity generated by the retail, food & beverage, entertainment and consumer service sectors occurs within America's shopping centers, with nearly 1 out of 4 U.S. jobs retail related. Approximately \$400 billion of state and local taxes that support local communities, public safety resources and infrastructure is generated by the industry. Our industry is at risk if further government action to provide support is not taken.

The latest numbers illustrate the impact of COVID-19 mandated closures on our industry:

- \$54 billion total lost rent
- \$190 billion in lost sales
- 7.4 million lost jobs in retail, restaurant and other tenant categories

**ICSC, on behalf of its 70,000-member network, is advocating for the following:**

### COVID-19 Related Policy Priorities

**Small Business Comeback Act** – ICSC leads a coalition of 150+ business groups representing the workplaces of 58 million workers in support of H.R. 7671. This legislation provides additional economic support in the form of federal grants, bringing rapid liquidity to commercial sectors impaired by the coronavirus. Such assistance will help businesses reopen, retain and rehire employees and pay essential business expenses such as rent, utilities and certain debt obligations.

**Commercial Real Estate (CRE) Borrower Relief/Clarification of Title IV and the Main Street Lending Program (MSLP)/H.R. 7809 Helping Open Properties Endeavor (HOPE) Act** – ICSC urges Congress to direct the Department of Treasury and the Federal Reserve to improve the MSLP and create a temporary liquidity facility for commercial real estate as a stand-alone facility or through modification of the Program. Due to the restrictive nature of CMBS loan covenants, this new program should provide a federal guaranty to financial institutions to accept preferred equity in the underlying asset instead of debt. As a result of significant revenue interruption, many CRE borrowers who were in good standing prior to the crisis now face a liquidity crisis due to no fault of their own.

**Business Liability Relief** – ICSC supports S. 4317, the “Safe to Work Act,” which provides a good faith standard for businesses, limits the entities who can be held liable for alleged injuries to “bad actors” and allows COVID-19 cases to be moved to federal court to prevent a patchwork quilt of court decisions.

**Tax** – ICSC supports additional relief to help businesses through the next phase of this pandemic: 1) Clarify deductibility of expenses paid with PPP; 2) Exempt taxation on phantom income from loan modification, forgiveness or cancellation; 3) Update REIT-related party rules so property owners can invest in struggling tenants; 4) Extend NOL relief; 5) Provide incentives for safety and disinfecting equipment; 6) Create a tax credit for rent, mortgage and utility expenses.

**Bankruptcy** – ICSC supports S. 4479, which temporarily allows for CRE landlords to make concessions to tenants and not lose out should the tenant end up in bankruptcy. This bill also makes temporary changes to help small businesses and other tenants who need more time to defer rent, pay back rent or assume/reject a lease.

**Pandemic Risk Insurance Act (PRIA)** – ICSC calls for a prospective federal business interruption program. PRIA provides an initial and significant development in the conversation for an accessible and affordable program to limit exposure to pandemic related revenue interruption and provide businesses with capital to pay essential operating expenses.