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One in 10 Ohio restaurants could close permanently due to coronavirus, legislators told

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Industry groups for hotels, salons and restaurants shared their business concerns with the Ohio House's Ohio Economic Recovery Task Force on Tuesday. They say they will need government help to move forward.

The Ohio Restaurant Association had sobering news for state lawmakers on Tuesday: As many as 1 in 10 restaurants might close for good because of the coronavirus pandemic.

"We employed 585,000 people, which is 10% of Ohio's workforce," said John Barker, the association's president. "Since the crisis began, (51%) of all restaurant locations in Ohio have closed, and 3% already indicate they are permanently shuttering their business."

The hotel and hair salon industries are faring no better.

"The impact is historic," said Joe Savarise, executive director of the Ohio Hotel & Lodging Association. "We are at the lowest historic occupancy that has ever been recorded."

Eight out of every 10 hotel rooms in the state are empty, and people are canceling events through the end of the year.

Without help from state and federal lawmakers, these industries could be crippled for years to come.

Barker and Savarise shared their concerns with the Ohio Economic Recovery Task Force, a bipartisan group of 24 House members who have been meeting remotely since last week. Their goal is to produce a list of actions they can take to help Ohio's businesses be ready when Gov. Mike DeWine and Ohio Health Director Dr. Amy Acton decide to lift the state's stay-at-home order.

Some of the suggestions by the presenters were for legislators to act on existing pieces of legislation.

Neil Tilow, the president of a mental health provider in southwestern Ohio called Talbert House, asked the legislators to pass a House bill that would require commercial insurance to provide coverage for remote care.

“Anxiety and depression are very high right now,” Tilow said.

At the same time, the operations of mental health providers are down 21% to 50% across the state.

Other ideas included extending low-interest loans, forgiving certain kinds of taxes and waiving licensing fees.

Tony Fiore, executive director of the Ohio Salon Association, said even letting go of the \$3 processing fees for online payments could help.

“Are we in a position for the state to be able to overlook taxes?” Barker asked.

In March, the governor called on all state agencies to give him revised budgets for the next fiscal year that were 20% smaller than what they had planned. Nearly half the dollars the state collects come from the sales tax. With businesses closed and their workers laid off, those tax dollars are drying up.

The hotel industry’s Savarise said, “As of this week, the initial analysis is we have lost 70% of those direct jobs and 45% of our impact jobs.”

And even when the order lifts, the groups’ leaders all said it could take weeks if not months for business to return to “normal.”

Many of the distributors who sold food to restaurants have pivoted to supply grocery stores, Barker said. “For them to switch back into restaurants could be two weeks to a month.”

Owners of hair salons and hotels are worried that customers won’t feel safe even when they’re allowed to venture out — especially at hotels that housed medical personnel or coronavirus patients.

“We’ve got to trust businesses to protect their customers and employees,” Rep. Jon Cross, R-Kenton, told The Dispatch. “I’m feeling the pressure from the business community, not to get back to normal, but to see the light at the end of the tunnel.”

DeWine said Monday that he plans to continue relying on medical experts for signs that it’s time to lift the state’s restrictions.

“We need to do this in a way that protects people,” DeWine said. “We need to do this in a way that lessens the chance of a new spike coming up.”

Democrats such as Senate Minority Leader Kenny Yuko of Richmond Heights agree.

“We’re all getting antsy,” he said. “I’ve never been in the house so long.”

But what keeps him pacing at night is the possibility of causing more Ohioans to die by lifting the ban on public gatherings and the shutdown of businesses too early.

“I’m the guy who brought you the casinos, so you know I like to gamble,” Yuko said. “This is one bet I’m not willing to take.”

The task force is scheduled to meet again at 12:30 p.m. Wednesday.