



**International
Health, Racquet &
Sportsclub Association**

March 20, 2020

Hon. Mitch McConnell
Majority Leader
United States Senate

Hon. Nancy Pelosi
Speaker
U.S. House of Representatives

Hon. Charles Schumer
Minority Leader
United States Senate

Hon. Kevin McCarthy
Minority Leader
U.S. House of Representatives

RE: Economic Relief for Health and Fitness Industry from Impacts of COVID-19

Dear Leader McConnell, Speaker Pelosi, Senator Schumer, and Representative McCarthy:

My name is Joe Moore. I am President/CEO of the International Health, Racquet & Sportsclub Association (IHRSA), the leader in education, research, and advocacy for the health and fitness industry, representing health clubs and fitness businesses worldwide. This includes 39,750 clubs and studios in the United States that service more than 73.6 million consumers.

As one of the first industries mandated to close by state governments, along with restaurants, health clubs, studios, and their suppliers are bearing the economic brunt of the COVID-19 pandemic. Similar to restaurants, most clubs and studios are small businesses with large numbers of employees who only receive compensation when they show up to work.

We thank you for considering all efforts, including tax relief and small business interruption loans. Still, the reality is that without direct relief these businesses will close, laying off at least 425,000 employees and up to 800,000 when you count independent instructors, personal trainers, and other staff.

Health clubs and studios in the U.S. serve 73.6 million consumers, 64.2 million members. America's health clubs provide necessary services that keep Americans healthy and prevent conditions—like heart disease—that have made categories of our population more susceptible to severe illness and death during this pandemic. Without specific economic relief, health clubs will no longer be able to provide these services, which could put the country at future risk.



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The country is rapidly moving toward full closure of all health clubs in the United States, eliminating \$32.3 billion in revenue. What clubs need:

1. **Include Health Clubs, Studios and Fitness Suppliers in Recovery Fund**
Add \$32 billion to aid health clubs, studios, and their suppliers to any recovery fund that compensates restaurants and other early affected businesses.
2. **Ensure Business Interruption Insurance Covers COVID-19**
Pass regulations allowing business interruption insurance policies to cover COVID-19 through a federal guarantee.
3. **Temporary Mortgage and Lease Forbearance**
Pass regulations allowing for temporary waivers from fees over late mortgage, lease, or rent payments.
4. **Access to Zero-Interest Loans**
Access zero-interest loans to make payroll and sustain operations

Clubs are deeply ingrained in their communities, purchasing local goods and services, paying local taxes, providing ancillary services to parents such as daycare, helping parents maintain their own health and offering tailored classes to specific individuals.

Clubs in smaller communities serve as community resources, often providing the only facilities and services such as swimming pools, fitness equipment, and swim lessons in that community. Even now, in this time of crisis, many health clubs are taking measures to keep their members active and healthy and less prone to the virus. By offering online classes, providing exercise equipment for home use, and other initiatives, clubs are promoting both physical and mental health in our communities while they are forced to close.

As preventative health providers, it is also crucial that clubs and their suppliers be up and running to provide valuable services when the world returns to normal.

The health benefits of exercise are well documented and well known. Perhaps most important, given our current pandemic crisis, studies link physical activity to improvements in immune



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health. Exercise can boost the circulation of T cells and other immune cells that play critical roles in the body's defense against pathogens, such as COVID-19. Long-term moderate exercise programs have proven to lower incidence and duration of upper respiratory tract infections, with reductions as high as 40-50% among people who were active daily.

Now is not the time for America to lose one of its best preventative tools for reducing the impact of viruses and diseases such as Coronavirus 19. As providers improving America's physical, mental, and fiscal health, it is vitally important to the health of our nation that a strong health club and fitness industry is maintained.

It is for these reasons that a variety of types of relief are required to save the health and fitness industry, inclusion in a relief fund for lost revenue, business interruption insurance to cover COVID-19, mortgage and lease forbearance, and access to zero interest loans.

Thank you for your consideration. If I can provide you with any additional information on this matter or about the fitness industry, please do not hesitate to contact Jeff Perkins, assistant vice president of government relations, at jdp@ihrsa.org, or by calling IHRSA at (617) 951-0055.

Sincerely,

A handwritten signature in black ink that reads 'Joe'.

Joe Moore
President & CEO, IHRSA