



To Lead, Advocate and Connect as the Voice of Business

**Bill 16-20, Economic Development Fund – Public Health Emergency Grant Program –
Established**

March 31, 2020

The Montgomery County Chamber of Commerce fully supports Bill 16-20, Economic Development Fund – Public Health Emergency Grant Program and the special appropriation to County Government's FY20 Operating Budget, Department of Finance, Economic Development Fund of \$20,000,000 for Public Health Emergency Grant Program.

Expedited Bill 16-20 is an emergency action to establish a new Public Health Emergency Grant Program in the existing Economic Development Fund to respond to the significant financial hardship many County residents and businesses have experienced due to the Covid-19 pandemic. The Program would authorize grants to a local for-profit or non-profit business that has its principal place of business in the County and employs 100 or less full-time equivalent employees. The maximum grant for financial losses due to a public health emergency would be \$75,000. The Chamber appreciates that Bill 16-20 includes sole proprietors; this is a significant need that has been neglected in state programs.

The Chamber applauds the County Council for their quick action on this expedited legislation and the intent to get businesses the resources they need expeditiously. Montgomery County small businesses need cash-on-hand now and the county has more flexibility to get funding more quickly to these businesses. As Councilmembers discuss various amendments, the Chamber strongly urges the following:

- **County Funds as First Resource** - This grant should be available to businesses as soon as possible; not as a secondary option to potential state and federal programs. The Chamber agrees with the proposed amendment in the Council Packet under #1. Adding a clawback provision and documentation from businesses about funds they receive can protect those businesses that operate in good faith and are using the money as their application indicates.
- **Grants and NOT Loans** - Small businesses do not need additional loans. The Chamber applauds the County Council for pursuing a grant program and strongly urges it stay solely a grant program.
- **Restaurants and Retail** – These establishments were among the first and the hardest hit initially by Covid-19. Money within the grant should be specifically reserved for this sector and the Chamber urges the Council to allow ¼ (or \$5 million) be reserved for this industry. There are many other businesses who have been shut down as a result and are struggling to keep the lights on and the grant program shouldn't be so disproportionate as to shut out those other businesses.

The Chamber implores the County Executive to create and adopt regulations for this grant program as quickly as possible. Any delay in getting these county funds to businesses will be the difference of them staying alive long enough to receive future state and federal funds.