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2 Councilmember Charles Allen

Councilmember Kenyan R. McDuffie

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6 A BILL

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11 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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17 To amend the Small and Certified Business Enterprise Development and Assistance Act of 2005
18 to establish the Business Support Grant Program to provide eligible businesses financial
19 support to aid in their recovery from the public health emergency.

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21 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
22 act may be cited as the “Business Support Grants Emergency Amendment Act of 2020.”

23 Sec. 2. The Small and Certified Business Enterprise Development and Assistance Act of
24 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*), is
25 amended as follows:

26 (a) The table of contents is amended by adding a new section designation to read as
27 follows:

28 “Sec. 2317. Business Support Grant program.”.

29 “(b) A new section 2317 is added to read as follows:

30 “Sec. 2317. Business Support grant program.

31 “(a)(1) Notwithstanding the Grant Administration Act of 2013, effective December 24,
32 2013 (D.C. Law 20-61; D.C. Official Code § 1-328.11 *et seq.*), and in the Mayor’s sole
33 discretion, issue a grant to an eligible small business; provided, that:

34 “(A) The eligible business submits a grant application in the form and with
35 the information required by the Mayor;

36 “(B) The Mayor shall establish rules for the application process provided
37 that those rules considers prioritizing available funding as follows:

- 38 (1) Forty percent to restaurants;
- 39 (2) Thirty percent to hotels;
- 40 (3) Fifteen percent to retail;
- 41 (4) Fifteen percent to sports and entertainment sectors; and
- 42 (5) Eligible businesses closed due to the PHE unable to open until
43 Phase 3 or Phase 4, pursuant to the guidelines as issued by Executive Order of the Mayor and if
44 it were not for the PHE would be open.”.

45 “(C) The eligible business demonstrates, to the satisfaction of the Mayor,
46 financial distress of fifty percent or more loss in gross receipts of sales during March, April, and
47 May combined, compared to the gross receipts reported for the same period in 2019 or, for
48 eligible businesses opened less than 12 months as of the Public Health Emergency, the preceding
49 3 month period, caused by a reduction in business revenue due to the circumstances giving rise
50 to or resulting from the public health emergency.”.

51 “(2) A grant issued pursuant to this section may be expended by the eligible
52 business to help meet the demands of the public health emergency, reopen, accommodate to the
53 emerging business environment, and any other causes determined by the Mayor to spur
54 economic recovery as long as the grant is equivalent to up to fifteen percent of lost revenue over
55 the three-month period from March through May but cannot be more than average monthly gross
56 receipts for any single month in 2019 provided that at least twelve and one-half percent is set

57 aside for an eligible business that is also a resident-owned business and a small business
58 enterprise as those terms are defined, respectively, in section 2302(15) and (16) of the Small and
59 Certified Business Enterprise Development and Assistance Act of 2005, effective October 20,
60 2005 (D.C. Law 16-33; D.C. Official Code 2-218.02(15) and (16)) and is at least 51% owned by
61 an individual who is, or a majority of individuals who are Asian, Pacific Islander, African
62 American or Black, Native Hawaiian, or Latinx; or at least 51% owned by a woman or a
63 majority of women; or is a disadvantaged business enterprise.

64 “(b) Funds may be awarded for an eligible business that is the lessor of property to an
65 eligible establishment provided that the lessor may only qualify based on rental income limited
66 to the property leased to the eligible business and demonstrates in a form acceptable to the
67 Mayor income from these establishments and provided further, that the lessor has abated rent
68 payments for the eligible business in an amount equal to twice the amount of the grant.

69 “(c) The Mayor may issue one or more grants to a third-party grant-managing entity for
70 the purpose of administering the grant program and making subgrants on behalf of the Mayor in
71 accordance with the requirements of this section.

72 “(d) The Mayor, pursuant to section 105 of the District of Columbia Administrative
73 Procedure Act, approved October 21, 1968 (82 Stat.1206; D.C. Official Code 2-505), may issue
74 rules to implement the provisions of this section.

75 “(e) The Mayor, in the Mayor’s sole discretion, may authorize that funds of at least
76 \$100,000,000 received pursuant to the CARES Act, approved March 19, 2020 (S. 3548), be used
77 to fund the grant program provided by this subsection.

78 “(f) For the purposes of this section, the term:

79 “(1) “Public health emergency” means the emergencies declared in the
80 Declaration of Public Emergency (Mayor’s Order 2020-045) together with the Declaration of
81 Public Health Emergency (Mayor’s Order 2020-046), declared on March 11, 2020, including any
82 extension of those declared emergencies.

83 “(2) “Eligible business” means a business enterprise eligible for certification
84 under section 2331 of the CBE Act and:

85 (1) Operates an establishment in the hotel, retail, restaurant, or sports and
86 entertainment, sector;

87 (2) Derives at least eighty percent of its revenue from sales of
88 merchandise, food, beverages, accommodation services, or a combination of these;

89 (3) Is still open or would still be open were it not for the public health
90 emergency; and

91 (4) Is a Property Owner that leases to an eligible establishment.

92 “(3) “Sports and entertainment sector” means an establishment that is open or was
93 open to the public prior to the declaration of the public health emergency for entertainment or
94 leisure and includes bars, entertainment venues, clubs, theatres, sports, recreation and
95 entertainment venues, and art galleries.

96 “(4) “Restaurant establishment” may include food service establishments or food
97 service providers.”.

98 Sec. 3. Fiscal impact statement

99 Sec. 301. Fiscal impact statement.

100 The Council adopts the fiscal impact statement in the committee report as the fiscal
101 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
102 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

103 Sec. 4.. Effective date.

104 (a) This act shall take effect following approval by the Mayor (or in the event of veto by
105 the Mayor, action by the Council to override the veto), and shall remain in effect for no longer
106 than 90 days, as provided for emergency acts of the Council of the District of Columbia in
107 section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87
108 Stat. 788; D.C. Official Code § 1-204.12(a)).

DRAFT