

Maryland Small, Minority, and Women-Owned Businesses Account,
Department of Commerce
\$10.0 Million (T00F00.15)

Purpose: Recovery Now Funding

For the Maryland Small, Minority, and Women-Owned Businesses Account, the amount authorized shall be used consistent with that provided under §5-1501 of the Economic Development Article.

March 24 - Program Highlights and Plans to Allocate Remaining Balance:

- Commerce began its outreach and marketing strategies to ensure the program reaches as many businesses as possible with the goal of providing equitable distribution of these funds across a diverse group of business owners and regions.
 - Commerce drafted and posted online: program eligibility, guidelines, and application requirements Tuesday, March 15, 2021.
 - Commerce has sent out the second alert of the program on March 16, 2021 to over 30,000 businesses, business groups, community organizations, advocacy groups, economic development professionals, and elected officials.

March 24 - Programmatic and/or Implementation Issues:

- Commerce is awaiting direction from the General Assembly in the form of *HB 853 - Small, Minority, and Women-Owned Business Account -- Alterations*. If this bill passes it will expand the eligible uses of the Account during a declared federal or State declaration of emergency allowing financial assistance to a small, minority, or women-owned business to be in the form of a grant or to allow for a portion of a loan to be converted to a grant. Each grant is not to exceed \$50,000 for a single business. Furthermore, the aggregate total of financial assistance provided from the account during the declaration may not exceed \$2,500,000 in a fiscal year. The House has amended this bill to be Emergency Legislation, making it effective as soon as it is signed into law. The Department is requesting an amendment to increase from \$2,500,000 to \$10,000,000 the amount that could be provided as a grant. This could essentially allow the \$10 million in Relief funding to be used to provide grants up to \$50,000 or convert loans to grants. HB 853 is being heard in the Senate Finance Committee on 3/23/21.

March 24 - Distribution of Funds:

- Each fund manager has been allocated \$1,250,000 to make loans.