



Councilmember Charles Allen



Councilmember Kenyan R. McDuffie

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Small and Certified Business Enterprise Development and Assistance Act of 2005 to establish the Business Support Grant program to provide eligible businesses financial support to aid in their recovery from the public health emergency.

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

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

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

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

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

“Sec. 2317. Business Support Grant program.

33 “(a)(1) Notwithstanding the Grant Administration Act of 2013, effective December 24,
34 2013 (D.C. Law 20-61; D.C. Official Code § 1-328.11 *et seq.*), the Mayor, in the Mayor’s sole
35 discretion, may issue a grant to an eligible business in accordance with this section and rules
36 issued pursuant to this section; provided, that:

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

39 “(C) The eligible business demonstrates, to the satisfaction of the Mayor, a
40 reduction in business revenue due to circumstances resulting from the public health emergency,
41 showing, for an eligible business opened a year or more, financial distress of a 50% or more loss
42 in gross receipts of sales for April, May, and June of 2020 combined compared to the gross
43 receipts reported for the same period in 2019, or, for an eligible business opened fewer than 12
44 months as of the public health emergency, compared to the 3-month period preceding the public
45 health emergency; and

46 “(D) A grant is equivalent to up to 15% of lost revenue over the 3-month
47 period from April, May, and June of 2020, and not more than the average monthly gross receipts
48 for any single month in 2019, or, for an eligible business opened fewer than 12 months as of the
49 public health emergency, over the 3-month period preceding the public health emergency;
50 provided further, that at least 12.5% is set aside for an eligible business that is:

51 “(i) Also is or is eligible to be a resident-owned business and a
52 small business enterprise as those terms are defined, respectively, in section 2302(15) and (16)
53 and

54 “(ii)(I) At least 51% owned by an individual who is, or a majority
55 of individuals who are Asian, Pacific Islander, African American or Black, Native Hawaiian, or
56 Latinx;

57 “(II) At least 51% owned by a woman or a majority of
58 women; or

59 “(III) Eligible to be a disadvantaged business enterprise, as
60 that term is defined in 2302(5).

61 “(2) An eligible business awarded a grant pursuant to this section may use the
62 grant funds for costs associated with complying with the demands of the public health
63 emergency, reopening, to accommodate to the emerging business environment, or for any other
64 reason determined by the Mayor, as set forth in rules issued pursuant to this section, to likely
65 spur economic recovery.

66 “(b)(1) The Mayor may award a grant to a lessor of property that leases to an eligible
67 business; provided, that the lessor shall only qualify after demonstrating to the Mayor, in a form
68 acceptable to the Mayor, rental income limited to the property leased to the eligible business and
69 that the lessor has abated rent payments or otherwise provided a benefit to the eligible business
70 in an amount equal in value to twice the amount of the grant.

71 “(2) A lessor who receives an award pursuant to this subsection shall notify the Mayor if
72 the lessor terminates, during the 18 months following an award pursuant to this subsection, a
73 lease agreement with an eligible business and shall provide, in a form determined by the Mayor,
74 evidence that the termination was:

75 “(A) With the consent of the eligible business; or

76 “(B) Unrelated to nonpayment of rent due to the impact of the public
77 health emergency on the eligible business.

78

79 “(c) The Mayor may award one or more grants to a third-party grant-managing entity for
80 the purpose of administering the Business Support Grant program and making subgrants on
81 behalf of the Mayor in accordance with the requirements of this section or rules issued pursuant
82 to this section.

83 “(d)(1) The Mayor, pursuant to section 105 of the District of Columbia Administrative
84 Procedure Act, approved October 21, 1968 (82 Stat.1206; D.C. Official Code 2-505), shall issue
85 rules to implement the provisions of this section, which shall include the grant application
86 process.

87 “(2) The Mayor, in promulgating the rules shall consider prioritizing available
88 funding, with a priority for those eligible businesses closed due to the public health emergency
89 and unable to open until Phase 3 or Phase 4 of the District’s Reopening plan pursuant to the
90 guidelines issued by Executive Order of the Mayor and but for the public health emergency
91 would be open, as follows:

92 “(A) Thirty-eight percent to restaurants;

93 “(B) Twenty-eight percent to hotels;

94 “(C) Fourteen and a half percent to retail;

95 “(D) Fourteen and a half percent to sports and entertainment

96 sectors; and

97 “(E) Five percent to child development centers.

98 “(e) The Mayor, in the Mayor’s sole discretion, may authorize funds of up to \$100
99 million received pursuant to the CARES Act, approved March 27, 2020 (Pub. L. No. 116-136;
100 134 Stat.281), be used to fund the Business Support Grant program established by this section.

101 “(f) The Mayor, and any third-party entity chosen pursuant to subsection (c) of this
102 section, shall maintain a list of all grants awarded pursuant to this section, identifying for each
103 award the grant recipient, the date of award, intended use of the award, and the award amount.
104 The Mayor shall publish the list online no later than December 1, 2020.

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

106 “(1) “Eligible business” means:

107 “(A) A child development center, as that term is defined in the Child
108 Development Facilities Regulation Act of 1998, effective April 13, 1999 (D.C. Law 12-215;
109 D.C. Official Code 7-2031 (3)); provided that, the child development center has not previously
110 received public vouchers during the public health emergency; or

111 “(B) A business enterprise eligible for certification under section 2331

112 and:

113 “(i) Is an establishment in the hotel, retail, restaurant, or sports and
114 entertainment, sector;

115 “(ii) Derives at least 80% of its revenue from sales of merchandise, food,
116 beverages, accommodation services, ticket sales, advertising, media, or sponsorship, or a
117 combination of these; and

118 “(iii) Is still open or would still be open were it not for the public health
119 emergency.

120 “(2) “Public health emergency” means the emergencies declared in the
121 Declaration of Public Emergency (Mayor’s Order 2020-045) together with the Declaration of
122 Public Health Emergency (Mayor’s Order 2020-046), declared on March 11, 2020, including any
123 extension of those declared emergencies.

124 “(3) “Restaurant” means full-service restaurants, including limited-service
125 restaurants, fast food restaurants, and food service providers such as cafes, delicatessens, coffee
126 shops, supermarkets, grocery stores, vending trucks or carts, food trucks, cafeterias.

127 “(4) “Sports and entertainment sector” means an establishment that is open or was
128 open to the public prior to the declaration of the public health emergency for entertainment or
129 leisure. The term “sports and entertainment venue” includes bars, entertainment venues,
130 nightlife establishments, theatres, sports, recreation and entertainment venues, and art galleries.”.

131 Sec. 3. Fiscal impact statement.

132 The Council adopts the fiscal impact statement Budget Director as the fiscal impact
133 statement required by section 4a of the General Legislative Procedures Act of 1975, approved
134 October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

135 Sec. 4. Effective date.

136 This act shall take effect following approval by the Mayor (or in the event of veto by the
137 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
138 90 days, as provided for emergency acts of the Council of the District of Columbia in section
139 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
140 D.C. Official Code § 1-204.12(a)).