



Councilmember Kenyan R. McDuffie

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, due to congressional review, 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 Congressional Review 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:

31 “Sec. 2317. Business Support Grant program.

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

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

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

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

50 “(i) Also, is or is eligible to be, a resident-owned business as that
51 term is defined in section 2302(15); and

52 “(ii) At least 51% owned by economically disadvantaged
53 individuals, as that term is defined in section 2302(7), or by individuals who have been subjected
54 to racial or ethnic prejudice or cultural bias because of their identity as a member of a group
55 without regard to their individual qualities.

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

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

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

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

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

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

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

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

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

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

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

89 “(D) Fourteen and a half percent to sports and entertainment sectors; and

90 “(E) Five percent to child development facilities.

91 “(e) The Mayor, in the Mayor’s sole discretion, may authorize that funds of up to \$100
92 million received pursuant to the CARES Act, approved March 27, 2020 (Pub. L. No. 116-136;
93 134 Stat.281), be used to fund the Business Support Grant program established by this section.

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

98 “(g) For the purposes of this section, the term:

99 “(1) “Eligible business” means:

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

104 “(B) A business enterprise eligible for certification under section 2331
105 that:

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

108 “(ii) Derives at least 80% of its revenue from sales of merchandise,
109 food, beverages, accommodation services, ticket sales, advertising, media, or sponsorship, or a
110 combination of the following; and

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

113 “(2) “Public health emergency” means the emergencies declared in the
114 Declaration of Public Emergency (Mayor’s Order 2020-045) together with the Declaration of

115 Public Health Emergency (Mayor’s Order 2020-046), declared on March 11, 2020, including any
116 extension of those declared emergencies.

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

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

124

125 Sec. 3. Fiscal impact statement.

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

129 Sec. 4. Effective date.

130 This act shall take effect following approval by the Mayor (or in the event of veto by the
131 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
132 90 days, as provided for emergency acts of the Council of the District of Columbia in section
133 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
134 D.C. Official Code § 1-204.12(a)).

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