



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 Temporary 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 (a) This act shall take effect following approval by the Mayor (or in the event of veto by  
137 the Mayor, action by the Council to override the veto), a 30-day period of congressional review  
138 as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
139 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1), and publication in the District of  
140 Columbia Register.

141 (b) This act shall expire after 225 days of its having taken effect.

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