

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:

“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.*), the Mayor, in the Mayor’s sole  
33 discretion, may issue a grant to an eligible business in accordance with this section and rules  
34 issued pursuant to this section; provided, that:

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

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

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

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

51                               “(ii) At least 51% owned by economically disadvantaged  
52 individuals, as that term is defined in section 2302(7), or by individuals who have been subjected

53 to racial or ethnic prejudice or cultural bias because of their identity as a member of a group  
54 without regard to their individual qualities.

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

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

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

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

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

72           “(c) The Mayor may award one or more grants to a third-party grant-managing entity for  
73 the purpose of administering the Business Support Grant program and making subgrants on

74 behalf of the Mayor in accordance with the requirements of this section or rules issued pursuant  
75 to this section.

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

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

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

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

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

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

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

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

93 “(f) The Mayor, and any third-party entity chosen pursuant to subsection (c) of this  
94 section, shall maintain a list of all grants awarded pursuant to this section, identifying for each

95 award the grant recipient, the date of award, intended use of the award, and the award amount.

96 The Mayor shall publish the list online no later than December 1, 2020.

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

98 “(1) “Eligible business” means:

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

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

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

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

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

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

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

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

123

124                   Sec. 3. Fiscal impact statement.

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

128                   Sec. 4. Effective date.

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

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