

1 Introduced by House Committee on Commerce and Economic Development

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3 Sec. 1. GAP ECONOMIC RECOVERY GRANTS; FY 2021 ONE-TIME
4 APPROPRIATION

5 (a) Appropriation. The amount of \$10,000,000.00 is appropriated from the
6 General Fund to the Agency of Commerce and Community Development to
7 provide grants to businesses that are ineligible for, or have received only
8 partial assistance from, the federal Paycheck Protection Program, the
9 Economic Injury Disaster Loan Advance, or other Small Business
10 Administration grant programs.

11 (b) Eligibility. To be eligible for a grant a business shall meet the
12 following criteria:

13 (1) The business is domiciled or has its primary place of business in
14 Vermont.

15 (2) The business is organized and operated:

16 (A) on a for-profit basis, including a sole proprietor, partnership,
17 limited liability company, business corporation, cooperative, or mutual benefit
18 enterprise; or

19 (B) on a nonprofit or low-profit basis, including a mutual benefit
20 corporation, public benefit corporation, and a low-profit limited liability
21 company.

1 (3) The business is:

2 (A) open for business at the time of application; or

3 (B) closed for business due to the COVID-19 public health
4 emergency but has a good-faith plan for reopening.

5 (4) The business is the primary source of income for the applicant or the
6 owners of the business.

7 (5) The business has suffered economic loss or incurred additional
8 expense due to the COVID-19 public health emergency and economic crisis.

9 (6) The business:

10 (A) is ineligible to apply for federal assistance through the Paycheck
11 Protection Program, Economic Injury Disaster Loan Advance, or other Small
12 Business Administration grant program; or

13 (B) applied for federal assistance through the Paycheck Protection
14 Program, Economic Injury Disaster Loan Advance, or other Small Business
15 Administration grant program and

16 (i) was determined to be ineligible for assistance; or

17 (ii) received only partial assistance.

18 (c) Grants; administration.

19 (1) The Agency shall award grants on a first-come, first-served basis,
20 except that for the first 30 days of the program, the Agency shall give priority
21 to eligible businesses that:

1 (A) began operation after February 15, 2020; and
2 (B) have not received any economic assistance from State or federal
3 sources.

4 (2) The amount of a grant shall not exceed the greater of:

5 (A) three times the business’s average fixed monthly expenses in
6 2020 for commercial mortgage or rent, electricity, heat, and hot water; or

7 (B) \$75,000.00.

8 (d) Guidelines. Not later than ten days after the effective date of this act,
9 the Agency of Commerce and Community Development shall publish
10 guidelines governing the implementation of the program, which at minimum
11 shall:

12 (1) establish application and award procedures;

13 (2) establish standards to determine whether a business has its primary
14 place of business in Vermont;

15 (3) establish standards for eligible uses of grant funds;

16 (4) establish standards governing the amount of grant awards:

17 (A) to ensure the equitable distribution of funds among regions and
18 among business types, sizes, and sectors; and

19 (B) to ensure that grants are based on need and will have a
20 meaningful impact on the business’s continued viability;

1 (5) establish procedures to ensure that grant awards comply with the
2 requirements of this section and that the State maintains adequate records to
3 demonstrate compliance with this section;

4 (6) establish procedures to prevent, detect, and mitigate fraud, waste,
5 error, and abuse; and

6 (7) establish procedures to ensure that grant applicants are in
7 compliance with State and federal employment and labor laws.

8 (e) Reporting. The Agency shall:

9 (1) provide weekly updates and information concerning grant
10 guidelines, awards, and implementation to the committees of jurisdiction of the
11 General Assembly; and

12 (2) submit a report to the General Assembly on or before August 15,
13 2021 detailing the implementation of this section, including specific
14 information concerning the amount and identity of grant recipients, which shall
15 be publicly available.