

Council approves emergency relief package for local employers and vulnerable residents

Public Health Emergency Grant Program will provide emergency grant funding to small businesses and nonprofits

ROCKVILLE, Md., March 31, 2020 — Today the Council voted 8-0 to enact Bill 16-20, with Councilmember Rice abstaining based on the advice of legal counsel to prevent any potential conflict of interest. Bill 16-20 creates an emergency grant program and provided \$20 million in funding for small businesses and nonprofits impacted by the Novel Coronavirus pandemic. The Council also approved an additional \$6 million in funding with \$5 million going for direct financial assistance to Montgomery County residents and \$1 million allocated to support safety net services through the Department of Health and Human Services.

The Public Health Emergency Grant Program, which was sponsored by all nine Councilmembers, enables the County Executive to provide grant funding to small businesses and nonprofits that can demonstrate they've suffered financial distress as a result of the mandated closures that Maryland and Montgomery County have put in place to help stop the spread of Covid-19.

The Council approved the Covid-19 Economic Relief Act (Expedited Bill 16-20, Economic Development Fund - Public Health Emergency Grant Program - Established) and the accompanying special appropriations on an emergency basis and authorized the County Executive to begin providing this assistance as quickly as possible.

The measures include the following:

Public Health Emergency Grant Program: This new program provides grant funding up to \$75,000 per business or nonprofit for county businesses or nonprofits with 100 or fewer full-time-equivalent employees that can demonstrate financial losses caused by the public health emergency. Grant funding must be used for employee wages and benefits, taxes, debt, rent or other operating losses during the public health emergency.

Microgrants: The grant program includes microgrant funding for local businesses and nonprofits up to \$2,500 to cover the costs associated with purchasing teleworking equipment and technology and supporting teleworking capabilities during the Covid-19 emergency.

Special appropriation for the Public Health Emergency Grant Program: The Council funded a \$20 million special appropriation for the Fiscal Year 2020 Operating Budget to finance the Public Health Emergency Grant Program through the County's Economic Development Fund. The source of the funds is the County's General Fund Reserves. The impact of the special appropriation will be offset by the County Executive's recommended reduction of FY20 expenditures from the Retiree Health Benefits Trust Non-Department Account based on the new actuarial evaluation lowering the required contribution.

Special appropriation to the COVID-19 Human Services and Community assistance Non-Departmental Account: The Council also funded a \$6 million special appropriation with \$5 million for financial assistance to residents and \$1 million to support safety net programs provided by the Department of Health and Human Services and its non-profit partners to assist vulnerable populations.

The Council staff report and the full text of Bill 16-20, the Covid-19 Economic Relief Act, can be found [here](#).

Information on the supplemental appropriations can be found [here](#).