

Business Assistance Grants

DESCRIPTION

Similar to the Business Stabilization Grant that was provided with CARES funds, this grant would target businesses such as live music venues, movie theaters, restaurants, main street businesses, gyms and other businesses that have continued impact from COVID-19. Program would use existing infrastructure and internal controls from Business Stabilization grant program. Ten temporary FTE needed for processing and administration.

The original program provided approximately \$254 million in grants to more than 11,500 businesses across Montana. The original program was limited to businesses with fewer than 50 employees and could easily be expanded to include larger businesses with more employees. The maximum grant amount that a business could receive was \$27,620 and could also be adjusted to fit budget and need. Businesses were required to submit a copy of its most-recent tax returns, Secretary of State registration, drivers license, and payroll documentation. The grant amount was based on the expenses identified on the tax returns. Grant funds could only be used for business-related expenses. The Business Stabilization program required grantees to submit report identifying what the funds were used for.

Pros: Easy to apply for, quick distribution of funds, easily administered, all Montana based businesses could apply

Cons: Multiple payments were problematic to administer and created confusion for the applicant; Start-ups and new businesses that were established after COVID were not eligible; Required a large team to manage the volume of applications; Taxes were not an eligible expense due to Federal regulations.

RESOURCES NEEDED TO EXECUTE

- \$50 Million, (previous program utilized \$254 Million)
- 10 equivalent FTE for processing and administration, \$550,000 per year
- IT Hardware for processing and administrative staff \$18,000

OBJECTIVES

All businesses that are registered with the Secretary of States office and pay taxes to the State of Montana on any revenue generated in Montana could be eligible to apply. We would need to establish a date by which businesses must have been created to determine eligibility.

MEASURABLE OUTCOMES

- Number of businesses in existence prior to COVID-19 versus the end of the program
- Number of employees that were retained due to grant funding
- Revenue increases/decreases from CY20 to CY21