



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

In Support of HB386
Small, Minority, and Women-Owned Businesses Account – Local State of Emergency
February 1, 2022, pm

Chair Atterbeary, Vice-Chair Washington, and fellow members of the Ways and Means Committee, for the record - I am Delegate Dana Jones.

I come before you today to testify on HB86, a bill to streamline the process for our local governments to issue grant funding to businesses and nonprofits impacted by natural disasters.

This legislation builds upon HB853, which was unanimously passed last session. HB853 expanded the use of the Small, Minority, and Women-Owned Businesses (SMWOB) account to provide grants to businesses affected by Federal Disaster areas or through a Federal or State Declaration of Emergency.

This expansion of the program helped get essential relief to many small businesses when SMWOB was utilized this October in response to historic flooding that hit coastal communities throughout the state. The governmental response to the flood was quick and effective. Governor Hogan declared a State of Emergency on October 29th, the same day the flood began. Because of this declaration, the very next day County Executive Steuart Pittman announced that the Anne Arundel Economic Development Corporation would immediately be accepting applications for grants of up to \$50,000 for businesses impacted by the flood through the process outlined in HB853. Within a matter of weeks over a dozen grants were issued to help get our community's small businesses get back on their feet.

However, the critical need for this bill becomes clear when you consider the state's response to the most recent tornado that hit my district this past fall. On September 1st 2021, a category EF-2 tornado tore through the City of Annapolis and parts of Edgewater leaving an immense amount of destruction in its path. Dozens of businesses sustained devastating damage, some completely destroyed. Unlike the response to the October floods, the Governor did not declare a State of Emergency and our State was unable to receive a FEMA disaster declaration. This meant that

our businesses suffered for months without knowing whether or not their State was going to come through with desperately needed support.

This legislation would fix the problem seen in the aftermath of the tornado by creating a process in which local SMWOB fund managers can issue grants in the case of a *local* emergency declaration - rather than just in Federal or State. The legislation matches HB853 in that the grants can only be for up to \$50,000; however, it does also expand it to non-profits.

If this legislation had been law when the tornado hit, we would have been able to immediately distribute funding to businesses and nonprofits in the greater Annapolis area.

I respectfully urge a favorable report on this legislation to allow our local governments to take quick and meaningful action after local emergencies.

A handwritten signature in blue ink that reads "Dana Jones" with a long horizontal flourish extending to the right.

Delegate Dana Jones