



Peter Franchot
Comptroller

TESTIMONY OF COMPTROLLER PETER FRANCHOT

**Support - Senate Bill 310 - Small, Minority, and Women-Owned Businesses Account
- Local State of Emergency**
Budget & Taxation Committee
February 9, 2022

Chairman Guzzone, Vice Chair Rosapepe, and members of the Committee, it is my pleasure to provide testimony in **support** of **Senate Bill 310 - Small, Minority, and Women-Owned Businesses Account - Local State of Emergency**. I would like to thank Senator Elfreth for sponsoring this important legislation, and the Committee for providing the opportunity for my testimony to be heard.

The COVID-19 pandemic illustrated the need for strong community support to keep local businesses and nonprofits afloat in challenging times. As is often the case, areas of the state were impacted differently, and local governments respond as necessary by declaring a local state of emergency to provide more resources to their residents. SB 310 would extend the eligible uses of the Small, Minority, and Women-Owned Businesses Account (SMWOBA) to include grants to businesses and nonprofit organizations in areas where a local state of emergency has been declared, providing a needed boost to struggling organizations. Businesses that meet the criteria would be eligible to receive assistance in the form of grants up to \$50,000, or the conversion of a previous loan to a grant.

During the 2021 regular General Assembly Session, the legislature expanded the eligible uses of SMWOBA to include grants in areas declared to be federal disaster areas or subject to a federal or State declaration of emergency. SB 310 would simply expand that use to apply to areas under a local state of emergency. This reasonable measure will work to keep our small, minority, and women-owned businesses steady in moments they need it most.

For the reasons stated above, I respectfully request a favorable report for Senate Bill 310. Thank you for your time and consideration.

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