



TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE

HOUSE BILL 853 - SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES ACCOUNT – ALTERATIONS Sponsor – Department of Commerce

March 23, 2021

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PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE

Position: Support

The Greater Baltimore Committee (GBC) supports House Bill 853, which allows the Department of Commerce and the fund managers of the Small, Minority, and Women-Owned Business grant program to award a grant and to convert already provided loans into grants if the recipient business is in an area declared a federal disaster area or under a federal or state declaration of emergency. The amount of a grant or loan converted into a grant for an individual business may not exceed \$50,000, and the total of all grants and loans converted into grants may not exceed \$2.5 million in a fiscal year.

The GBC has been actively involved in supporting businesses as they weather the ill effects of the pandemic and the resulting restrictions placed on business operations and the resulting economic downturn. To address the challenges and to assist businesses to recover, the GBC created a COVID-19 Business Recovery Advisory Council to make recommendations focused on small and minority-owned businesses in the Greater Baltimore business community. One of its key recommendations was to support efforts to increase access to capital particularly for small and minority-owned businesses including both traditional and non-traditional capital sources (CDFIs, PPP, venture capital, etc.) and forgiveness of loans.

As countless businesses struggle to regain their footing during this pandemic caused economic crisis, the conversion of a loan to a grant, or a new grant, could provide the much needed boost a business needs to remain viable.

This bill is also consistent with one of the key tenets in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth:

Strategic and effective investments in business growth. The State must commit to substantive strategic investments, leveraged with capital assets, to nurture business and job growth. Investments should include competitive and effective tax credits, business development incentives, and tactical initiatives to nurture private investments in industry growth.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 853.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.