Shaneka Henson

Legislative District 30A
Anne Arundel County

Appropriations Committee



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

March 8, 2021

Chair Anne R. Kaiser Vice Chair Alonzo T. Washington Room 131 House Office Building Annapolis, Maryland 21401

Honorable Members of the Ways and Means Committee,

It is without a doubt that the hardest hit during COVID-19 are our local small businesses. Every one of us has had to watch as our favorite restaurants, stores, and coffee shops have had to close their doors to stay afloat. Fortunately, our community has made great efforts to extend grant opportunities to business owners to help boost our local economy. But, for businesses not in good standing, they are ineligible for the grant assistance based off of this disqualification.

HB1303 aims to require an agency or unit of State government administering a certain financial assistance program authorized in response to certain disasters to authorize, notwithstanding certain provisions of law, small, minority, and women-owned businesses that are not in good standing with the State Department of Assessments and Taxation to apply to the agency or unit to conditionally participate in the program. In short, the bill allows for small businesses to be considered for grants, regardless of their designation.

I have proposed some amendments for committee consideration to the bill as drafted: Amendment No. 1

Make it clear that the funds being administered are funds administered through existing programs

Amendment No. 2

Strike all reference to small, minority and women owned businesses.

Amendment No. 3

Expand the bill to include any existing program for emergency funding

Amendment No. 4

Make the qualifying businesses, those which are:

- Sole proprietors
- Businesses with 1 employee or more

Amendment No. 5

Include a requirement for businesses to show they have been operational & that their lack of good standing isn't due to fraud

- Gross receipts, affidavit, etc.
- Compliance check with SDAT (to make sure the forfeiture wasn't due to fraud)

One of the main causes of a business not being in good standing is a failure to coordinate with banks for financial assistance. For sole proprietors, receiving a loan is much more challenging and may not reflect the worth of the business as much as the financial standing of the applicant. HB1303 would help to ensure that those that need help the most, have a fair chance to receive it.

It is for these reasons that I ask that the Ways and Means Committee vote favorably on HB1303.

Sincerely,

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Shaneka Henson, District 30A Delegate