



1405 Wesley Drive Salisbury MD 21801  
Phone: 410-749-1919 Fax: 410-548-5039  
www.trscpa.com

**March 24, 2020**

### **State of Maryland Small Business Assistance Programs**

We wanted to provide our clients guidance with a one-stop shop for eligible programs that have been specifically catered to small businesses in the State of Maryland. To assist with the financial hardships created by the COVID-19 pandemic, Governor Larry Hogan announced several different relief programs available to Maryland businesses.

The following financial relief programs offered by Maryland are aimed primarily at small business, including their employees and those who otherwise have been impacted by COVID-19 financially. These programs will join federal disaster relief programs announced last week.

Here's what you need to know about the different relief programs introduced on March 23, 2020:

#### **Maryland Small Business COVID-19 Relief Loan Fund (\$75 million available funds)**

- ✚ Loans up to \$50,000 per applicant.
- ✚ For businesses with 50 or less employees.
- ✚ Business established prior to March 9, 2020.
- ✚ Applicants must have employees on their payroll.
- ✚ 0% for the first 12 months, and 2% for the remaining 36 months.
- ✚ Deferral of any payments for the first 12 months, and straight amortization beginning in the 13th month through the 36th month.
- ✚ 2 years of historical financial statement information required.
- ✚ Six-month pro forma of estimated lost revenue or other documented loss evidence.
- ✚ Minimum personal credit score of 575.
- ✚ No collateral requirements.
- ✚ Business must demonstrate financial stress or disrupted operations
- ✚ Eligible uses include working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.
- ✚ <https://commerce.maryland.gov/fund/maryland-small-business-covid-19-emergency-relief-loan-fund>

### **Maryland Small Business COVID-19 Relief Grant Fund (\$50 million available funds)**

- ✦ Grants up to \$10,000 per applicant.
- ✦ For businesses with 50 or less employees.
- ✦ Business established prior to March 9, 2020.
- ✦ Applicants must have employees on their payroll.
- ✦ Annual revenues cannot exceed \$5 million.
- ✦ Eligible uses include working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.
- ✦ <https://commerce.maryland.gov/fund/maryland-small-business-covid-19-emergency-relief-grant-fund>

### **COVID-19 Layoff Aversion Program (\$7 million available funds)**

- ✦ Grants up to \$50,000 per applicant.
- ✦ For businesses with 500 or less employees.
- ✦ Specifically aimed at small businesses reducing or eliminating employee layoffs.
- ✦ Eligible uses include:
  - Provide funding to cover costs associated with having employees work remotely.
  - Provide funding to help retain employees for employers who taking advantage of the Unemployment Insurance Work Sharing Program.
  - Cover liability insurance for restaurants that convert to delivery.
  - Provide funds for training or professional development to avoid layoffs.
  - Provide funding for deep cleaning or large sanitation projects.
  - Provide funding for any strategy that reduces or climates the need for layoffs.
- ✦ <http://www.labor.maryland.gov/employment/covidlafund.shtml>

### **Maryland COVID-19 Emergency Relief Manufacturing Fund (\$5 million available funds)**

- ✦ This \$5 million incentive program helps Maryland manufacturers to produce personal protective equipment that is urgently needed by hospitals and health-care workers across the country. More information coming by Friday, March 27, 2020.
- ✦ For the most up to date information or if you have specific questions about these funds, please email: [fpaworkflowcoordinator.commerce@maryland.gov](mailto:fpaworkflowcoordinator.commerce@maryland.gov).

### **Notable Federal Programs**

- ✦ Economic Injury Disaster Loan Program: Now available to small business owners in all 50 U.S. states and territories to apply for a low-interest loan.
- ✦ Lender Match is a free online referral tool that connects small businesses with participating SBA-approved lenders.
- ✦ 90 Day extension to July 15, 2020 to file and pay returns due April 15, 2020.
- ✦ <https://www.sba.gov/funding-programs/disaster-assistance>