$20 Million Available for Small Businesses Through the Expanded COVID-19 Layoff Aversion Fund

Businesses Can Apply for Up to $50,000 in Flexible and Customizable Funding Beginning Today Will Receive Approval or Denial Within 5 Business Days of Applying
Initial Funds Already Helped 445 Small Businesses Remain Open and Saved Nearly 9,000 Jobs

BALTIMORE, MD (October 28, 2020) - The Maryland Department of Labor (Labor) today announced that an additional $20 million in funding is available for Maryland's small businesses through an expansion of the successful COVID-19 Layoff Aversion Fund. Businesses undergoing financial stresses due to the pandemic can apply for up to $50,000 in flexible and customizable funding to maintain their workforce beginning today on Wednesday, October 28.

"Initially introduced in March, the COVID-19 Layoff Aversion Fund has already helped 445 small businesses with an average of 20 employees stay open and saved nearly 9,000 Maryland jobs," said Governor Larry Hogan. "Through our Economic Recovery Initiative, we have allocated an additional $20 million to expand the COVID-19 Layoff Aversion Fund and to provide further financial support to our state's small businesses as they continue to adapt to and overcome the challenges presented by the pandemic."

The governor's initiative expands total funding to $30 million for the state's COVID-19 Layoff Aversion Fund. Since announced by the Governor last Thursday, Labor has already reached out to all 130 small businesses who submitted an application prior to the program closing, but did not receive funding because the initial $10 million was exhausted. Seven of these priority applicants have been approved and 20 are under review.

“Labor’s COVID-19 Layoff Aversion Fund has already provided critical funding to small businesses representing nearly 20 diverse industry sectors, ranging from health care to retail, that are located in all 24 jurisdictions in Maryland,” said Labor Secretary Tiffany Robinson. “By expanding the program, Governor Hogan is giving our team the opportunity to help hundreds of additional businesses stay afloat, forego layoffs of thousands of employees, and remain open for business.”

The COVID-19 Layoff Aversion Fund is designed to support businesses undergoing economic stresses due to the pandemic by preventing or minimizing the duration of unemployment resulting from layoffs. The award of up to $50,000 per applicant will be a quick deployable benefit that is customizable to the specific needs of the business to minimize the need for layoffs. Applications will be accepted through 30 days after the State of Emergency ends or until funding has been fully exhausted. Businesses will receive approval or denial within 5 days of applying for the funding.

Award recipients have used the average award size of $22,738 per business for such things as purchasing remote access equipment and software to promote teleworking, assisting with employee training and education, purchasing cleaning supplies and services to maintain an onsite workforce, and taking advantage of the Maryland Department of Labor’s Work Sharing Unemployment Insurance Program by supplementing employee income.

To download the policy, application, and learn more about the eligibility requirements of the COVID-19 Layoff Aversion Fund, please visit our website. If you have any questions, please email laborcovid19.layoffaversion2@maryland.gov.

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