Governor Mills Announces Second Round of Economic Recovery Grants to Maine Small Businesses & Non-Profit

November 20, 2020

Governor Janet Mills and Commissioner of the Department of Economic and Community Development Heather Johnson announced today that the Mills Administration has begun distributing the second round of financial awards to Maine small businesses and non-profits through the Maine Economic Recovery Grant Program.

This second phase of the Economic Recovery Grant Program expanded access to funds by increasing the number of eligible organizations. Under Phase 2, businesses and non-profits that employ up to 250 people are eligible for grant awards. In addition, licensed childcare and behavioral health organizations were eligible in this round, along with businesses and non-profits in their first year of operation.

Grant letters notifying the recipients of their award will be sent today, Friday, November 20, in collaboration with Maine's seven Economic Development Districts, which will distribute funds by mid-December. The grant program, backed by $200 million in Federal CARES Act Coronavirus Relief Funds (CRF), provides some financial relief for businesses and non-profit organizations that incurred business disruptions due to the COVID-19 pandemic.

The 1,222 awards, which include 1,107 to businesses and 115 to non-profits, total $53.6 million dollars and average just over $43,000 per award with recipients spanning the entire state. The hospitality sector, particularly lodging and accommodations and restaurants, represent the largest percentage of recipients, drawing 29 percent of the awards. In addition, the Maine Economic Recovery Grant provided $7.4 million in grants to 193 businesses and non-profits that are less than a year old.

The grants are intended to help sustain the viability of Maine's small businesses and nonprofits – not to replace lost profits – and will provide short-term relief to help stabilize Maine's economy. At the same time, the Administration continues to focus on the state's long-term goals described in the state's 10-year strategic economic development plan. The program draws on a recommendation from the Governor's Economic Recovery Committee.

> *"I continue to call upon Congress and the President to provide desperately needed relief to Maine people. In the meantime, this second round of grants will offer businesses and non-profits at least a partial lifeline to stay open and operating," said Governor Mills. "My Administration will continue to do all we can to support Maine's small businesses suffering economic hardship as a result of this this pandemic. I urge all Maine people to shop locally, and shop safely, whenever you can."*

The Mills Administration worked with the seven Economic Development Districts across the state to operationalize the program. Based on eligibility requirements, which align with guidance from the U.S. Treasury Department, the Economic Development Districts determined the eligibility of each application, consulting with state agencies when needed. The Department of Economic and Community Development also

worked individually with many businesses to help them with their application. If a business or non-profit was determined to not meet eligibility requirements, they were also notified today, Friday November 20, including a justification for the denial.

> *"Given the diverse areas of our economy that have been severely impacted as a result of the pandemic, it is our hope that this second round of grants with expanded eligibility will provide support to as many businesses as possible to help them navigate this difficult time," said Heather Johnson, Commissioner of Economic and Community Development.*

Grants awarded through the Maine Economic Recovery Grant Program may be used to cover expenses including: payroll costs and expenses; rent or mortgage payments for business facilities; utilities payments; necessary operating expenses; expenses incurred to replenish inventory or other necessary re-opening expenses; purchase of personal protective equipment required by the business- or business-related equipment. Funds must be spent on operations strictly within Maine. Recipients are liable for any misuse of funds, and the grants are subject to audit.

Get more information on the Maine Economic Recovery Grant Program and answers to frequently asked questions.

The Mills Administration's use of federal funding awarded to the state can be viewed on the Bureau of the Budget website.

Copyright © 2021
All rights reserved.