

Applications for Restore RI Grants Will Begin on August 3, 2020

Description

By David M. DiSegna

On Monday August 3, 2020, Rhode Island Commerce will begin accepting applications for “Restore RI” grants for small businesses. The new program will provide grants of up to \$15,000 to Rhode Island businesses with 1-20 employees and restaurants and caterers of any size. Additional details have recently been released on the application process and eligibility requirements.

Rhode Island Commerce has created two categories of eligible businesses based on the entity’s NAICS code. Businesses within a severely impacted industry include retail trades; scenic & sightseeing transportation; arts, entertainment, and recreation; accommodation and food services; and personal care services. Businesses within a non-severely impacted industry include all other eligible applicants. Applicants in severely-impacted industries must demonstrate a year-over-year revenue loss of at least 30% from Quarter 2 of 2019 to Quarter 2 of 2020 to be eligible for a grant. Eligible applicants in a non-severely impacted industry must demonstrate a revenue loss of at least 50% over the same time period.

The maximum grant amount will be determined based on the number of full-time equivalent employees, demonstrated revenue losses, and whether or not an applicant falls within a severely-impacted industry. Rhode Island Commerce has created a Grant Eligibility & Award Estimator on its website, which allows potential applicants to determine the amount of grant money they may be eligible for. Applicants seeking grants of \$5,000 or more must provide supporting documents for eligible expenses, including receipts, bank statements, invoices, or similar documentation.

Rhode Island Commerce has also added the requirements that an eligible business:

- Has not declared bankruptcy within the past three years;
- Does not have any federal, state or local tax liens;
- Had been in operation prior to or on January 1, 2020; and
- Is currently open or has a plan to reopen in the next 60 days.

Additionally, for a business that is part of a regional or national franchise with locations outside of Rhode Island, if any of the following apply, the business is not eligible: (1) the applicant is owned in whole or in part by the franchisor or an affiliated entity of the franchisor, (2) the applicant or the entity that owns the applicant is headquartered in another state, or (3) the majority ownership of the applicant is held by a resident of another state and the applicant’s state of organization is other than Rhode Island.

More information can be found at the Restore RI grant program website <https://commerceri.com/about-us/restore-ri/>.

Please contact David M. DiSegna at [Partridge Snow & Hahn LLP](#) if you have questions about the Restore RI grant program.

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