

# Governor Raimondo Announces “Restore RI” Grant Program for Small Businesses

## Description

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On July 15, 2020, Rhode Island Governor Gina Raimondo announced a new small business grant program to be administered through Rhode Island Commerce. The “Restore RI” grant program will initially be funded with \$50 million, and grants will be available for up to \$15,000 for eligible Rhode Island businesses impacted by COVID-19. Grant amounts will be based on the number of employees and the degree of revenue loss a business has experienced. Twenty percent of the funds will be reserved for minority-owned businesses.

The eligibility requirements for the program are not yet finalized, however, Rhode Island Commerce has released anticipated eligibility criteria, which include the following:

- The program is limited to COVID-19-impacted businesses that can demonstrate 30% or greater revenue loss (with the highest award amounts reserved for businesses experiencing greater than 50% revenue loss).
- Eligible recipients include small businesses with 1-20 employees or restaurants/caterers of any size.
- Recipients must have a physical presence in Rhode Island.
- Recipients must be open or show a plan to reopen.
- Health care/social assistance businesses and select other industries are not eligible at this time.
- Entities will be subject to a viability test with a streamlined process for PPP loan recipients.

Currently, sole proprietors, government entities, national chains, and non-profits are not eligible to participate in the Restore RI program. Moreover, additional industry eligibility rules and information will be provided with the application materials.

The window to submit grant applications is not yet open, however, Rhode Island Commerce has released some details on the application process. Applications will be approved on a first-come, first-served basis, and funding may be awarded in rounds. According to Rhode Island Commerce, applicants will likely be required to provide the following documentation:

- Verification of COVID impacts and revenue loss,
- Documentation of reopening-related expenditures,
- Verification of number of employees,
- Demonstration of viability, including how the business is adapting to the new normal, and
- A federal DUNS number and W9.

Eligible uses of the grant proceeds include reopening expenses, such as PPE, plexiglass, and technology, and major fixed business expenses, such as rent and utilities. Grant funds may not be used for expenses already covered by other state or federal funding, and the funds may not be used for expenses for which the business is reimbursed.

It is expected that more details on the Restore RI program, and other programs designed to help small businesses, will be released soon.

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

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