

Updated CT CARES ACT Small Business Grant Program

The Department of Economic and Community Development (DECD) has created a \$50 million grant program to help our small businesses in Connecticut recover from the ongoing challenges of COVID-19. Eligible businesses and nonprofits can receive a one-time \$5,000 grant and all funds will be disbursed to approved applicants by December 30, 2020.

We estimate the online application will be available the week of November 9, 2020. Check the CCA website, wewashctcars.com for future links.

Although minimal, there are specific eligibility requirements to receive the grant. Please see below to make sure your business or nonprofit meets the below requirements before you apply.

Eligibility

- Business must have no more than 20 total FTEs in 2019 across all of their Connecticut locations, or have total 2019 payroll of less than \$1.5 million (annualized). FTE and payroll include affiliated companies.
- Businesses must be able to demonstrate a 20% or more loss in revenue year to date as of September 30th, 2020, compared with the same period in 2019.
- Business must have been established by October 1, 2019, and still be active (as verified by DRS).
- Home-based businesses are eligible.
- Eligible entities: for-profit businesses that use any type of incorporation, as well as 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), and 501(c)(19) nonprofit organizations.
- The business must remain a viable business, be planning to reopen, and be planning to rehire any workers let go due to COVID as business conditions recover, and have a material financial need that cannot be overcome without the grant of emergency relief funds.
- Companies must be in good tax standing with DRS or current on a payment plan or consent to use a portion and/or all of their grant to remedy the delinquency.
- Sole proprietorships are eligible.

Eligibility Exclusions

- Businesses in which the majority of revenue is earned from the following activities:
 - Liquor stores and alcohol distributors; adult businesses such as strip clubs; vape retailers; tobacco shops and smoking lounges; businesses having to do with gambling; gun stores and ranges; cash advance, check cashing, or pawn shops; bail bonds; collection agencies or

- services; and auction or bankruptcy or fire or "lost-our-lease" or "going-out-of-business" or similar sale.
- Business establishments that are 50% or more owned by another establishment such that the FTE count for the umbrella establishment (when counting the FTEs of all subsidiaries in which the umbrella establishment has 50%+ stakes) is more than 500. For example, this would include non-franchised outlets of major national food and retail chains.
- Businesses and not-for-profit entities may **not** participate in this program if they received another assistance grant from State of Connecticut CRF funds.

Eligible Activities & Uses

GRANTS CAN BE USED FOR:

- Payroll
- Rent/Mortgage
- Utilities
- Inventory
- Purchase of Machinery and/or Equipment
- Cost associated to ensure compliance with CT Reopen Business Sector Rules

FUNDING PRIORITIES

- \$25 million to businesses/nonprofits located in the state's [distressed municipalities](#)
- \$25 million to businesses/nonprofits located outside of the state's distressed municipalities
- Applicants will only be allowed a single grant regardless of multiple locations
- All funds will be disbursed to approved applicants by December 30, 2020

How to Apply

Details on the online application process coming soon. Check back for updates.

Paid Family Medical Leave Authority Pushes Business Registration Start Date to 11/23

The original registration date for businesses participating in the state's new Paid Family Medical Leave has been pushed back. Under the timeline posted on the authority's website, businesses were required to start registering with the new paid leave program or apply to opt out of it for a private sector alternative beginning Nov. 1 of this year.

However, the authority is currently working with a pilot group of businesses to test the program used to register and accept employer contributions. As a result, registration will now begin Nov. 23. Employee payroll deductions begin on January 1, 2021, so **it is important for all businesses to register their business before December 31, 2020.**

The Paid Family Medical Leave program was enacted during the 2019 legislative session. Under the mandate, businesses with one or more employees are required to deduct 0.5% of each employee's wages — beginning Jan. 1 2021 — and submit those payments to the state's Paid Family and Medical Leave Insurance Authority.

Beginning Jan. 1 2022, employees are eligible for up to 14 weeks paid leave annually to care for their own or a family member's illness or injury. More information about the new program can be found the state's Paid Family Medical Leave Authority, ctpaidleave.org