

Massachusetts Gov. Baker's administration launches new \$75 Million small business relief program

New program directs \$50 million toward businesses reaching underserved markets, minority-, women-, and veteran-owned businesses, and \$25 million for businesses that did not qualify for prior MGCC aid.

The Baker-Polito Administration announced the launch of a new \$75 million grant program to support Massachusetts small businesses impacted by the COVID-19 pandemic. The new program is part of the plan to spend \$4 billion in American Rescue Plan funding that was signed into law by Governor Charlie Baker in December 2021. The new program is modeled after Massachusetts Growth Capital Corporation's (MGCC) successful COVID-19 small business relief program. Under that effort, which became the biggest state-sponsored business relief program in the nation, MGCC oversaw the distribution of approximately \$705 million to over 15,000 small businesses across Massachusetts. Today's announcement was made at Luanda Restaurant and Lounge in Brockton, a family-owned business that received financial support through MGCC's prior COVID relief grant program.

"We have been proud to support small businesses in every corner of the Commonwealth through the MGCC small business program during the pandemic, but we know that some challenges remain for many businesses," said Governor Charlie Baker. "With the launch of this new effort, we can build on MGCC's successful work and direct important federal funding to those businesses with the greatest need quickly and effectively."

“Restaurants like Luanda are fundamental to the character of our neighborhoods, main streets and downtowns in every city and town in Massachusetts,” said Lt. Governor Karyn Polito. “This new initiative will ensure that businesses that need help the most will be able to take advantage of additional opportunities.”

The \$75 million will be focused on small businesses that employ between two and 50 people, with \$25 million directed toward businesses that did not qualify for previous MGCC grants because of a lack of revenue loss in 2020; and \$50 million directed to businesses that reach underserved markets and historically underrepresented groups, or are minority-, women-, or veteran-owned businesses, or are owned by individuals with disabilities or who identify as a member of the LGBTQ+ community.

Under both categories, grants will range from \$10,000 to \$75,000, and will be capped at the lesser of \$75,000 or three months of operating expenses. Grant funding can be used for employee and benefit costs, mortgage interest, rent, utilities, and interest on debt.

“The challenges faced by Massachusetts’ small businesses during COVID have been enormous, but in my district and across the state I have seen so many entrepreneurs and innovators respond with incredible perseverance and grace. Small businesses are the backbone of our economy, and they deserve our support,” said Senate President Karen E. Spilka. “Today’s grants represent a choice by the Legislature to center small businesses in our effort for an equitable recovery. I am grateful to the Massachusetts Growth Capital Corporation for their work to distribute these funds to so many deserving businesses and I am thankful to all of the small businesses who have done so much for Massachusetts.”

“I am pleased to hear that the small business grant program, created through the Legislature’s ARPA bill, is now accepting

applications, and will soon be distributing these funds to our small businesses,” said Speaker of the House Ronald J. Mariano. “Delivering on the Legislature’s intent to pass a bill truly focused on equity, a significant portion of the funds from the small business program will specifically target minority-owned, women-owned, and veteran-owned small businesses, as well as small businesses that didn’t receive previous grants during the pandemic. Small businesses are oftentimes the backbone of our communities and local economies, and I look forward to seeing these investments remain a priority for the House of Representatives moving forward.”

“When help was needed the most during the pandemic, the Massachusetts Growth Capital Corporation scaled up a nation-leading program to support our small businesses and the families and entrepreneurs behind them,” said Housing and Economic Development Secretary Mike Kennealy. “I’m grateful to the MGCC team for once again stepping up to direct vital funding to the neighborhoods and communities that continue to face challenges created by this unprecedented public health crisis.”

“MGCC is pleased to be an instrument of recovery for the smallest of businesses throughout Massachusetts most affected by COVID-19 with these two new grants programs,” said Lawrence Andrews, CEO and President of MGCC. “The Baker-Polito Administration and the Legislature recognize that certain communities have been disproportionately impacted by the pandemic, and the goal of this funding will bring relief and stability to additional businesses throughout the Commonwealth.”

In addition to prioritizing applications from businesses that did not qualify for prior aid and businesses owned by individuals from historically underserved populations or operate in underserved markets, eligible businesses must currently be in operation and based in Massachusetts.

Applicants must also demonstrate that business revenues for 2020 were between \$40,000 and \$2.5 million.

Learn more at EmpoweringSmallBusiness.org.