



Gaithersburg-Germantown Chamber of Commerce, Inc.

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Special Appropriation to the Fiscal Year 2020 Operating Budget Montgomery County
Government Department of Finance, Economic Development Fund, Support for COVID-19
Response – Telework Assistance Program, \$250,000
PUBLIC HEARING - April 30, 2020
SUPPORT

The Gaithersburg-Germantown Chamber of Commerce supports the \$250,000 special appropriation to fund a Telework Assistance Program. While the initial Public Health Emergency Grant (PHEG) program included a \$2500 telework grant, the implementation of the PHEG program has severely limited access to telework funds. The new Telework Assistance Program should be a separate program with a separate application process to make sure the funds are used as intended.

When the emergency shut-down occurred in mid-March, businesses in all industries had to pivot. As the CEO of the Chamber, I had to make quick decisions to ensure my employees were up and running as efficiently as possible. All businesses had to come up with ways to “keep the doors open” even though we were all working from home. We had to invest in additional IT services, meeting platforms, additional hardware for staff, etc. We had to incur additional expense at the same time as our cash flow was being seriously depleted. The original PHEG appropriation took that into consideration and included a \$2500 telework grant to help small businesses cover those additional costs.

However, throughout the open application process the PHEG administrators have been adamant that the telework funds only be awarded to businesses who qualify for the larger \$75,000 grant (now limited to \$10,000). We have opposed this interpretation from the beginning and conveyed our concerns to the County Executive and to you in a letter dated on April 14th, PRIOR to the opening of the grant program.

“I also have concerns about the \$2,500 telework grant. As there is only one application for both grants, it is still unclear whether businesses will need to demonstrate a 50% revenue loss in March to qualify for the \$2,500 telework grant. This grant should be open to all businesses in need.”

As it stands now, the only way a business can qualify for the \$2500 telework grant is to demonstrate a 50% loss in revenue in the month March. If an applicant has a 50% loss in March, they could receive \$10,000 in PHEG plus \$2500 telework grant. If a business can't demonstrate a 50% loss in March, they get \$0, regardless of whether they incurred telework expense. The PHEG administrators are realizing what we've known all along, the current criteria are too restrictive. It is very difficult for a business to show a 50% loss in revenue for the month of March.

We support the new \$250,000 appropriation for the Telework Assistance Program. It needs to be a separate application and not tacked on to the existing program. Too many businesses have already been locked out of funding options.

Thank you.

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President & CEO

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