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ARKANSAS LEGISLATIVE COUNCIL APPROVES ADDITION \$40 MILLION FOR READY FOR BUSINESS GRANT PROGRAM

APPLICATION SET TO OPEN TUESDAY, MAY 5

On Sunday, May 3, the Arkansas legislative council approved a total of \$55 million for the Arkansas Ready for Business Grant program. This is a \$40 million increase from the \$15 million that was initially allocated. The state received over \$35 million in applications on April 29, and Governor Hutchinson stated last week that those applications will be considered first. Businesses who wish to apply should act fast, as only \$20 million in additional funding is available for new applicants. Senate President Jim Hendren told the Arkansas Democrat-Gazette that the application would open on Tuesday, May 5. No specific time has been announced.

At least 15% of the recipients must be women and minority owned businesses as defined by Arkansas statutes. At least 75% of the total funds must go to businesses with 50 or fewer employees. The remaining terms and grant amounts remain unchanged, and are outlined below.

The application will be available at <https://www.arkansasedc.com/covid19resources/business-resources/ready-for-business-grant-program/>.

- Eligible businesses include corporations, partnerships, sole proprietorships, LLCs, joint ventures, and non-profits.
- All industry sectors are eligible.
- Business entities must have a certificate of good standing with the Arkansas Secretary of State (sole proprietorships must have a business license or sales tax permit).
- Businesses and owners may not be delinquent on any Arkansas tax.
- Businesses must have either:
 - Customers and/or employees physically coming to the premises; or
 - Must conduct business on customer premises.
- Applications will be processed in the order received. Incomplete applications without required attachments will not be considered.
- **Checklist of Required Application Attachments:**
 - Driver's license of authorized business representative
 - Signed W9
 - Voided check
 - Certificate of Good Standing from Secretary of State (or business license or sales tax permit for sole proprietorship)
- The previous application was closed after one hour, with \$35 million in applications submitted. Applicants should have each attachment ready to upload in pdf form (not exceeding 5MB in size, prior to the application opening.
- Grant amounts will be calculated based on the number of Arkansas-based W-2 employees as of March 1, 2020.
 - One full-time (30 hour per week minimum) Arkansas W-2 employee = 1 FTE, One part-time (15 hour per week minimum) Arkansas W-2 employee = .5 FTE.

- Owners who work more than 30 hours per week but do not receive a W-2 can be included.
- 1 FTE = \$1,000 grant.
- 2+ FTE = \$1,000 per FTE.
- Maximum grant amount is \$100,000.

Eligible expenses include Personal Protective Equipment and no-contact thermometers for employees and customers, no-contact point of sale payment equipment, supplies and disinfectant for initial deep-clean and ongoing use. Expenses associated with hiring a third party to perform periodic deep-cleaning services, hand sanitizer stations, restocking of necessary supplies, and expenses of reconfiguring business to meet health and safety guidelines (including signs, marketing, and other one-time expenses associated with resuming normal operations).

Eligible expenditures must be made between March 1, 2020 and December 31, 2020. Businesses will be required to verify expenditures or repay all or a portion of the funds not in compliance.

For more information on this program, and other COVID-19 related topics, please review our COVID-19 Resources page here: <https://www.gill-law.com/covid-19-resources/#>