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S.F. No. 2695 – Hospitality recovery grant program (As amended by the SCS2695A-2)

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S.F.2695 establishes a grant program for grants to hospitality businesses that were impacted by a COVID-19-related business closure or other pandemic-related restrictions.

Subdivision 1. **Grant program established.** Directs the commissioner of employment and economic development to establish the grant program to make grants to partner organizations that will then make grants to eligible hospitality businesses. Grants are capped at \$10,000 per eligible business.

Subdivision 2. **Hospitality business defined.** Defines "hospitality business" as a for-profit or nonprofit business including but not limited to restaurants, drinking places, entertainment venues, and hotels.

Subdivision 3. **Grants to partner organizations.** Directs the commissioner to develop criteria, forms, applications, and reporting requirements for the grant program and make grants to partner organizations to provide grants to hospitality. Allows up to four percent of a grant to be used by the partner organization for administration of the grant program.

Subdivision 4. **Eligibility.** Establishes eligibility criteria to receive a grant. Requires a business to employ 200 or fewer employees; have a physical presence in Minnesota; and be able to show that the business was impacted by a COVID-19-related business closure or other pandemic-related restrictions.

Subdivision 5. **Grants award process.** Requires priority in awarding grants to businesses that have not previously received any COVID-19-related state or local grants. Specifies that grants will be awarded by randomized selection process.

Subdivision 6. **Eligible use of grant money.** Allows grant proceeds to be used for business operations, payroll, rent or mortgage, utilities, and other business-related expenses.

Subdivision 7. **Appropriation.** Appropriates \$10,000,000 in fiscal year 2023 from the general fund for the grant program.