

REFERENCE TITLE: **small business assistance grants**

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
First Regular Session  
2021

## **HB 2282**

Introduced by  
Representatives Lieberman: Bolding, Butler, Jermaine, Pawlik, Schwiebert,  
Shah, Senators Alston, Bowie, Engel

**AN ACT**

**AMENDING TITLE 41, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 41-1506.02; APPROPRIATING MONIES; RELATING TO THE ARIZONA  
COMMERCE AUTHORITY.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 41, chapter 10, article 1, Arizona Revised  
3 Statutes, is amended by adding section 41-1506.02, to read:

4 41-1506.02. Small business assistance grant fund;  
5 application; exemption; definition

6 A. THE SMALL BUSINESS ASSISTANCE GRANT FUND IS ESTABLISHED  
7 CONSISTING OF LEGISLATIVE APPROPRIATIONS TO PROVIDE GRANTS TO SMALL  
8 BUSINESSES THAT CLOSED AS A RESULT OF THE COVID-19 PANDEMIC. THE  
9 AUTHORITY SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY  
10 APPROPRIATED.

11 B. EXCEPT AS PROVIDED IN SUBSECTION F OF THIS SECTION, A SMALL  
12 BUSINESS, INCLUDING ANY OF THE FOLLOWING, MAY APPLY TO THE AUTHORITY FOR A  
13 SMALL BUSINESS ASSISTANCE GRANT:

- 14 1. AN INDIVIDUAL WHO OPERATES AS A SOLE PROPRIETOR.
- 15 2. AN INDIVIDUAL WHO OPERATES AS AN INDEPENDENT CONTRACTOR.
- 16 3. AN INDIVIDUAL WHO IS SELF-EMPLOYED AND WHO REGULARLY CARRIES ON  
17 ANY TRADE OR BUSINESS.
- 18 4. A TRIBAL SMALL BUSINESS.
- 19 5. A COOPERATIVE AND EMPLOYEE OWNED BUSINESS.

20 C. THE AUTHORITY SHALL AWARD GRANTS IN THE AMOUNT OF \$5,000. THE  
21 AUTHORITY SHALL ALLOCATE AT LEAST THIRTY PERCENT OF THE MONIES IN THE  
22 SMALL BUSINESS ASSISTANCE GRANT FUND TO SMALL BUSINESSES THAT ARE LOCATED  
23 IN COUNTIES WITH A POPULATION OF LESS THAN NINE HUNDRED THOUSAND PERSONS.

24 D. A SMALL BUSINESS SHALL APPLY TO THE AUTHORITY, ON A FORM  
25 PRESCRIBED BY THE AUTHORITY, ON OR BEFORE \_\_\_\_\_ TO RECEIVE MONIES FROM  
26 THE SMALL BUSINESS ASSISTANCE GRANT FUND. THE APPLICATION MUST INCLUDE:

- 27 1. THE NAME OF THE BUSINESS.
- 28 2. THE NUMBER OF EMPLOYEES OF THE BUSINESS AT THE TIME OF  
29 APPLICATION.
- 30 3. THE DATE THE BUSINESS WAS ORGANIZED.
- 31 4. OTHER INFORMATION REQUIRED BY THE AUTHORITY TO DETERMINE THE  
32 FINANCIAL IMPACT ON THE BUSINESS RESULTING FROM THE COVID-19 PANDEMIC.

33 E. THE AUTHORITY SHALL REVIEW THE APPLICATIONS SUBMITTED ON OR  
34 BEFORE \_\_\_\_\_ AND, WHEN AWARDING GRANTS, SHALL GIVE PRIORITY TO SMALL  
35 BUSINESSES THAT HAVE NOT RECEIVED FINANCIAL ASSISTANCE FROM ANY FEDERAL  
36 PROGRAM. IF THERE ARE MONIES REMAINING IN THE SMALL BUSINESS ASSISTANCE  
37 GRANT FUND AFTER THE AUTHORITY AWARDS GRANTS TO SMALL BUSINESSES THAT  
38 APPLIED ON OR BEFORE \_\_\_\_\_, THE AUTHORITY SHALL EXTEND THE APPLICATION  
39 DEADLINE TO ALLOW ADDITIONAL BUSINESSES TO APPLY.

40 F. THE FOLLOWING ENTITIES ARE NOT ELIGIBLE FOR A SMALL BUSINESS  
41 ASSISTANCE GRANT PURSUANT TO THIS SECTION:

- 42 1. PUBLICLY HELD CORPORATIONS.
- 43 2. REAL ESTATE INVESTMENT FIRMS.

1           3. BANKS, CREDIT UNIONS, CHECK CASHING COMPANIES, FINANCING  
2 COMPANIES, VEHICLE TITLE LOAN COMPANIES OR OTHER ENTITIES THAT LEND MONIES  
3 TO CONSUMERS.

4           G. GRANTS AWARDED PURSUANT TO THIS SECTION ARE EXEMPT FROM THE  
5 REQUIREMENTS OF CHAPTER 24 OF THIS TITLE.

6           H. FOR THE PURPOSES OF THIS SECTION, "SMALL BUSINESS" MEANS A  
7 BUSINESS THAT MEETS ALL OF THE FOLLOWING:

8           1. OPERATES IN THIS STATE.

9           2. EMPLOYS FIFTY OR FEWER EMPLOYEES.

10          3. HAS BEEN IN OPERATION SINCE JANUARY 31, 2020 BUT CLOSED AS A  
11 RESULT OF THE COVID-19 PANDEMIC.

12          Sec. 2. Exemption from rulemaking

13          For the purposes of this act, the Arizona commerce authority is  
14 exempt from the rulemaking requirements of title 41, chapter 6, Arizona  
15 Revised Statutes, for one year after the effective date of this act.

16          Sec. 3. Legislative intent

17          The Legislature intends that the small business assistance grant  
18 fund established by section 41-1506.02, Arizona Revised Statutes, as added  
19 by this act, provide financial assistance to small businesses that closed  
20 as a result of the COVID-19 pandemic so that those small businesses can  
21 reopen.

22          Sec. 4. Appropriation; small business assistance grant fund;  
23 exemption

24          A. The sum of \$20,000,000 is appropriated from the crisis  
25 contingency and safety net fund established by section 41-110, Arizona  
26 Revised Statutes, in fiscal year 2021-2022 to the small business  
27 assistance grant fund established by section 41-1506.02, Arizona Revised  
28 Statutes, as added by this act, to provide financial relief to small  
29 businesses that closed as a result of the COVID-19 pandemic so that those  
30 small businesses can reopen.

31          B. The appropriation made in subsection A of this section is exempt  
32 from the provisions of section 35-190, Arizona Revised Statutes, relating  
33 to lapsing of appropriations.