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So we realized that that was very confusing for the applicant. So we decided to get our list together of those businesses that we knew were eligible and that they had all of the correct information. We did find very early on that because a lot of these businesses were the very, very small businesses who were not accustomed to applying for grants and loans, that we had some revisions. We had to help them resolve some of the problems with their applications. Even though the applications were much easier than a typical Department of Commerce application, there were still some things that we needed to walk through with them. And so that was a very hands-on, one-on-one approach to those applicants to be able to make sure that they got the service that they needed to get the funding.

So with all of that, we got to the point where I guess it's been a little over three weeks, maybe a little bit more, that we sent something out to all of the grant applicants that knew that they were not going to get any funding. Everybody else that we knew was going to get funding received an email that we're working to get the agreements in the mail to them. And as soon as we get their agreements back, then we can of course send something over to the Comptroller's Office for a check request. But even something as simple, Madam Treasurer, as sending grants agreements out to the applicants, getting those grants

agreements back from the applicants has also proven to be challenging, for whatever reason. Maybe some people aren't checking their emails very frequently, or they are not checking spam, or maybe there wasn't the need for those individuals. So it's a very interesting process to be able to see all of the different moving pieces that work to be able to come to fruition. Which is why when people ask us about timelines, it's been very difficult because we know that a large part of the timeline depends on the ability to communicate with that applicant in a way where we can get something back from them.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

TREASURER KOPP: Well, it's always a, it's an organic, growing process. But I know part of their frustration is having done something and not know where it is, yes or no. And I understand, at the beginning of any program that's going to be the situation.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah. And as she said, you know, this was something that was, the department didn't already have organic systems and --

TREASURER KOPP: Oh, absolutely.

LIEUTENANT GOVERNOR RUTHERFORD: -- turn the switch on and all of a sudden do that, and then the idea that, you know, or the aspect of many of the businesses that are applying for grants and loans are not used to providing the type of information that we may need. As you all know, later when

some auditors come back and are grilling the Secretary for why did you provide this loan or this grant, because as we used to say in the federal government, the auditors come in and shoot the witnesses. So that's, you know, they don't always --

TREASURER KOPP: Yes.

LIEUTENANT GOVERNOR RUTHERFORD: -- remember that you were in an emergency situation, particularly when they come back a year or two years later and start asking questions.

TREASURER KOPP: Absolutely. Absolutely. But --

COMPTROLLER FRANCHOT: So Madam Secretary, could I just make sure you're on top of this situation. So there are people out there that qualified for a \$10,000 grant that have been, somehow have gotten the impression that they are somewhere in line to get that. Are they just being told the money has run out? Or are we going to go and get the money for those that are eligible, were the money there? Are we going to take care of them? Or are we just going to tell them, sorry, no more money left.

MS. SCHULZ: So the messaging that we send out to the folks that have been told that the \$50 million, say, for the grants has run out, we send them a message and say that unfortunately this pot of money has run out. However, we are keeping your application here should there be additional funding that comes through. But in addition to that, please don't forget to reach out to the Small

Business Administration. We do know that those applications are still open at this point in time for the PPP and there was just a reissuance of EIDL. And we make sure that they know that that is available for them. And we also make them know for those counties, we have a complete listing on our website, for those counties that are offering funds through their relief program. So we're connecting them to every single resource that we can in order for them to be able to get some level of funding, whether it's the State funding, the federal funding, or local funding.

COMPTROLLER FRANCHOT: And could you --

MS. SCHULZ: The important thing is for them to be helped.

COMPTROLLER FRANCHOT: Could you estimate roughly how many are in that particular universe of folks who were told, even if you were using boiler plate language that didn't, that they may have misinterpreted. But the word approved was there, but now they are being told the money has run out. How many are there in that category ball park?

MS. SCHULZ: I don't have a number for that, Comptroller, but I can certainly get that number to you. I can tell you of the 5,000, roughly 5,000 grants that we have, right now that are moving forward with funding, that's about a quarter of the number of total applicants that we had for the two-week time period. There were roughly 20,000 applications that came in for the grants program alone, almost an additional 10,000 that came in for the loan program. So we have about 25 percent of the grants that are going to be funded at this point in

time. Of those, there were maybe a couple of thousand of the grants that were deemed to be ineligible for one reason or another.

COMPTROLLER FRANCHOT: Okay. So I'm sure you and I agree that to the extent the application was valid, and it was the words approved were somehow communicated, that we should do our utmost to try to make those people benefit from the grant program, I believe. The loan program sounds a little more problematic because of the dollar amounts. But the grant program is for \$10,000 each, right?

MS. SCHULZ: Up to \$10,000, yes, sir.

COMPTROLLER FRANCHOT: Up to \$10,000. So I would, you know, appreciate any specifics you can give. And once again, I'm not trying to make the effort seem to be your responsibility. I know it's dollar limited. But to the extent those businesses are out there, I think it's important for the State to meet the need if at all possible using the Rainy Day Fund. So maybe we can work together on that. Maybe the Treasurer or the Lieutenant Governor or others have some ideas on it. But those are folks that we desperately need to make sure they survive, in my opinion, for the sustainability of Main Street.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, I agree with

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TREASURER KOPP: Is --

LIEUTENANT GOVERNOR RUTHERFORD: -- but I think in the coming weeks, there are going to be some items brought by the Secretary of Budget and Management with regard to possible utilization of the Rainy Day Fund to keep the business of the State running. So there's going to be a lot of, you know, challenges as we, you know, move into our next fiscal year. And we want to make sure that we are not, you know, putting the burden on our State employees as we are looking at, you know, how we handle the resources that we have. So it's a very good point that you make. And you know, there's a need out there, we know. But there's only going to be so much money to go around. Madam Treasurer, I think you were about to say something.

TREASURER KOPP: I was going to touch on that. But also, are you planning, to yourselves or anyone else have any follow up to see what happens with these businesses after they got the State grant?

MS. SCHULZ: We don't have that ability to do that, to have that operation for 5,000 businesses. I can tell you that we are trying to do some. I know we've gotten many requests from legislators and others that want us to do some sort of data extraction of what some of these businesses are. It's just not in our purview at this point in time in order to be able to do that. But once we get to the point where we can get everything out the door, that's our priority at this point in time, and then we can pull some data in order to be able to move forward with that.



TREASURER KOPP: It will be interesting to see what difference it made.

MS. SCHULZ: Well, so we don't hear from all of the 4,000 people right now that have already received a check. We don't get those good news stories as often as I would like. But we get a fair number of them.

LIEUTENANT GOVERNOR RUTHERFORD: Take the money and run.

MS. SCHULZ: Yeah, we get a fair amount of them. And we're actually keeping a list of those that reach back to our team when, you know, they've helped them and, you know, receive notification that everything is okay. And there are some very, very heartfelt stories out there, I'll just say that. And there are some folks that are very, very appreciative. Now my view, when they applied on March 23rd or March 24th, their business looks a lot different today than it did on March 23rd or 24th. And so even being able to track where they, where it would have benefitted in March or April, it would look different than what it looks like today.

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: Let me just say for the record, God bless the great State of Maryland. But the State budget is very important. I live in Montgomery County. They have a \$5 billion budget. Their budget is very important. I live in Takoma Park. The city budget is very important. They are











MR. CHURCHILL: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you,  
Madam Treasurer, Mr. Comptroller.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Another fun  
Board of Public Works done virtually.

TREASURER KOPP: Have a good two weeks.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Thanks. Same to you.

LIEUTENANT GOVERNOR RUTHERFORD: All right. You all  
do the same. Thank you.

(Whereupon, at 1:00 p.m., the meeting was concluded.)