

RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program

Frequently Asked Questions

Version 1.1

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PROGRAM OVERVIEW

1. What is the RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program?

The RI Rebounds Impacted Industries Grant Program provides a total of \$8 million in financial assistance in the form of a grant (direct payment) to hospitality, tourism, and events businesses that suffered a significant negative impact caused by the COVID-19 pandemic. Hospitality, tourism, and events businesses or nonprofits include:

- Hospitality: Restaurants, bars, nightclubs, breweries, wineries, distilleries, caterers, food trucks, valet service providers, or other food service providers; event professionals (at least 50% of total income must be event-related) including but not limited to photographers, videographers, florists, limousine services, event planners, event rentals, performers, convention and trade show organizers, hair professionals, and make-up professionals.
- Tourism: Hotels (excluding Airbnbs and vacation rentals), travel agencies, and tour operators.
- Events: Arts education organizations (excluding higher education institutions), arts or cultural venues, dance studios, museums, or performing or visual arts organizations.

2. What are the eligibility requirements?

To be eligible at this time, applicants must:

- Be a Rhode Island-based business or nonprofit in one of the industries listed in Question 1.
- Have experienced a COVID-related revenue loss in 2021 of at least 25% of 2019 revenues (only applicable to applicants in the Restaurant, Event Professionals, and Valet Operators subprogram).
- For Sole Proprietors only: Have annual business revenue of at least 20% of total annual income.
- Have been an established business or nonprofit in the state of Rhode Island prior to January 27, 2020, which is the date of the COVID-19 public health emergency declared by the Secretary of US Department of Health and Human Services (HHS).
- NOT have received funding from the Restaurant Revitalization Fund.

- NOT be permanently closed (meaning it is either open or only temporarily closed--e.g., a seasonal business that is not yet open for 2022 would be eligible).
- NOT be a publicly traded business/organization or a business/organization that is majority-owned by a publicly traded company.
- NOT be owned by a nationally or regionally owned franchise. While nationally owned chain businesses are not eligible to apply, a business that is part of a regional or national franchise that includes franchisees with locations outside of Rhode Island, may apply unless the business is owned by a regional or national franchisor or chain OR is owned by an entity that is not headquartered in Rhode Island.
- NOT be in or considering federal bankruptcy or state receivership.
- NOT be engaged in any activity that is illegal under Federal, State, or Local law.
- NOT be on the federal do not pay list.

3. How much funding is available for this RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program?

In total, \$8 million is available across three subprograms targeting the following groups:

- \$2.67 million for restaurants and events;
- \$2.67 million for hotels and travel agents/tour operators; and
- \$2.67 million for arts and culture organizations.

4. What is the source of funding for this grant program and these direct payments?

The source of funding is the U.S. Department of the Treasury's Coronavirus State and Local Fiscal Recovery (SLFR) Fund monies allocated to the State of Rhode Island pursuant to the American Rescue Plan Act of 2021, P.L. 117-2.

This program is part of the Rhode Island Rebounds initiative to invest in its children, families, workers, housing, and small business owners. This investment includes funds to assist small businesses as well as hard-hit tourism, hospitality, and event industries impacted by COVID-19. Rhode Island Rebounds is made possible thanks to Governor Dan McKee's proposal and unanimous approval by the Rhode Island House and Senate.

Awardees of this funding will be beneficiaries of the RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program.

5. Do these grants/direct payments need to be paid back?

No, these grants/direct payments do not need to be paid back.

6. Are the grants/direct payments taxable?

The IRS has [published information](#) indicating that "Some SLFR Fund recipients may have to report certain payments as income and may owe tax depending on the purpose of the payment." As such, RI Commerce Corporation anticipates issuing 1099s in most instances. Please consult your accountant or tax professional to understand more about your tax situation and how this guidance applies.

Additional IRS guidance for the Coronavirus State and Local Recovery Fund can be found here: [Frequently asked questions for states and local governments on taxability and reporting of payments from Coronavirus State and Local Fiscal Recovery Funds | Internal Revenue Service \(irs.gov\)](#).

7. Who can apply?

While a third party like a CPA or Technical Assistance partner can assist a business or organization on an application, there are application attestations that will require the business owner or an authorized representative (e.g., an officer of the business) to sign. Therefore, only those with fiduciary responsibility (like a restaurant owner, not service staff) for the business should apply.

8. How do I apply for the RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program?

The application will be made available online through a RI Commerce Corporation's landing page and will utilize the application platform Yardi Core Relief. This landing page will provide applicants with contact information for technical assistance along with other resources such as user guides and videos to utilize during the application process. The landing page can be found at <https://commerceri.com/rirebounds/hospitality-tourism-and-events-grant-program/>.

9. When can I apply?

Applications will open on March 9th and will be accepted [online](#) through April 6th. The portal will remain open for an initial two-week period. If needed after that initial two-week application period, the program may reopen if funds remain.

Update: The Restaurants and Event Professionals Application will reopen on Thursday, April 7th at 9 am EST. It will remain open for a maximum of two weeks or until all of the funding has been allocated, whichever is shorter.

10. I don't have internet access and/or a computer. Can I submit a paper application?

No, this application is only available to be submitted online. However, you can reach out to one of RI Commerce Corporation's Technical Assistance (TA) partners, who can help you with the application using one of their tablets. Information about those TA resources can be found in question 22.

11. If I have a general question about the grant program that is not answered in this FAQ document, how can I get further help?

Please complete this online form for assistance [Your Business Advisor - Rhode Island Commerce \(commerceri.com\)](https://www.commerceri.com).

12. Who is administering this program?

The RI Rebounds Hospitality, Tourism, and Events (HTE) is administered by the RI Commerce Corporation with assistance from its partner, Witt O'Brien's, LLC. The program is being supported, in whole or in part, by federal award number SLFRFP0136 awarded to the State of Rhode Island by the U.S. Department of the Treasury.

SPECIFIC PROGRAM ELIGIBILITY

13. Can Sole Proprietors apply for this funding?

Yes. For the purposes of this grant program, sole proprietors who file a Schedule C are eligible if your business revenue makes up at least 20% of your total annual income. A Sole Proprietor may calculate this by dividing the applicant's gross business income (e.g., line 7 on IRS 1040 schedule C for sole proprietors) by the owner's total income (e.g., line 7b on IRS 1040). However, if you file a joint return, you may exclude income from a spouse or dependent from this calculation.

14. Can non-profit organizations apply for this funding?

Yes, non-profit organizations are eligible for this grant program.

15. Are seasonal businesses eligible?

Yes. Seasonal businesses are eligible.

16. If my business is part of a regional or national franchise, am I eligible?

To be eligible, the applicant business must not be owned by the national or regional franchisor or chain OR be owned by an entity that is not headquartered in Rhode Island.

- Ex. of Eligible Business: A restaurant is a franchisee of a national chain, but the owner is a Rhode Island business entity not the national franchisor.
- Ex. of Ineligible Business: A gym is part of a regional franchise and is owned by a business entity headquartered outside of Rhode Island.

17. Can a new business apply?

If the business was established in the State of Rhode Island on or after January 27, 2020, it is not eligible. Through the SAM.gov registration, you will provide your established date and through its entity validation process that will be confirmed. See FAQ for more information on SAM.gov registration.

However, hotels that opened after 2019 are eligible if they are operating in impacted markets where the December 2021 occupancy remained below the December 2019 occupancy. These impacted markets include: Providence, Burrillville, Central Falls,

Cumberland, East Providence, Glocester, Lincoln, North Smithfield, Pawtucket, Smithfield, and Woonsocket.

18. If a business has more than one location, can it receive more than one grant?

No, not at this time.

19. Am I eligible to apply twice if I own two businesses?

Yes. If you own two business entities, you can apply separately for each entity.

20. Do I have to be an American citizen for my business to be eligible?

No; however, the applicant that will receive the grant/direct payment must have a valid federal taxpayer identification number (TIN).

21. Am I eligible to apply if I received prior COVID-19 relief funding for my business?

If you received funding from the SBA's Restaurant Revitalization Fund, you are **ineligible** to apply.

- You are still eligible if you have received any other COVID-19 Relief funding (as long as you meet all other requirements, including having a 2021 Net Financial Need).
- However, if you received funding from the State of Rhode Island, you may be deprioritized if the program is oversubscribed. Examples of funding from the State of Rhode Island includes RI Rebounds Small Business Grant Program; Restore RI Grant; RI Small Business Relief Grant; Hotel, Arts & Tourism Engagement, Service, and Resiliency Grants (HArT ESR); Hotel, Arts & Tourism Direct Support grants; Business Adaptation; Take It Outside; RI Child Care Stabilization Fund, or ARPA Reinvigorate Child Care Stabilization Grant Program.

APPLICATION

22. Will there be technical assistance resources that I can utilize during the application submission process?

Yes, technical assistance will be available for this program. RI Commerce Corporation has partnered with the following entities to provide direct application support for businesses, including support for registering with SAM.gov:

- Center for Southeast Asians. Contact: Channavy Chhay - Channavy.chhay@cseari.org
 - *Language supports in:* Mandarin, Cantonese, Vietnamese, Hmong, Tagalog, Khmer, Laotian, Spanish
- Center for Women and Enterprise. Contact: info@cwerhodeisland.org or 401-277-0800
 - *Language supports in Spanish:* para las citas en Español clic aqui o llame al 401-427-6535 o email info.rhodeisland@cweonline.org

- RI Black Business Association. Contact: Lisa Ranglin and Angel Lopez - smallbizhelp@ri-bba.org
 - *Language supports in:* Spanish
- RI Hispanic Chamber of Commerce. Contact: Martha Perez-Barton - martha@rihispanicchamber.org
 - *Language supports in:* Spanish
- RI Small Business Development Center (SBDC). Schedule an appointment [here](#) or call 401-874-7232.
- RI SCORE. [Schedule a mentor request.](#)
- RI Society of Certified Public Accountants. Contact: Melissa Travis and Amanda Lovini - info@riscpa.org
- Roads Consulting Group. Contact: Andrea Perez - info@roadscg.com
 - *Language supports in:* French, Spanish, Portuguese, Korean

23. Will technical assistance be available in languages other than English?

Yes. Technical assistance and application support is available in Spanish, French, Portuguese, Mandarin, Cantonese, Korean, Hmong, Laotian, Khmer, Tagalog, and Vietnamese.

24. How do I calculate my revenue loss?

For all businesses and nonprofits regardless of which subprogram an applicant is applying, an applicant will need to have experienced a COVID-related revenue loss in 2021 of at least 35% of 2019 revenues.

Please note that nonprofits can use either earned revenue or total revenue for this 35%+ revenue loss threshold calculation.

For businesses and nonprofits established between January 1, 2020, and January 26, 2020, you will use your January and February 2021 “gross receipts or sales” total compared to your January and February 2020 “gross receipts or sales” total for your 2021 RI “gross receipts or sales” and 2019 RI “gross receipts or sales” values below, respectively.

Your 2021 RI “gross receipts or sales.”

For the purposes of this question, “gross receipts or sales” do not include any COVID-related financial assistance. “Gross receipts or sales” can be found on the following lines of your 2021 business tax return: Federal 1120, 1120S, or 1065: line 1a or Federal 1040/1040-SR/1041: Schedule C: part 1, line 1. You are not required to have filed your 2021 tax returns as a condition of the program. If you have not yet filed your 2021 taxes and wish to use a 2021 figure, this may be found through a point-of-sale (POS) system report or a profit and loss statement from your general ledger or accounting software (e.g., QuickBooks, FreshBooks, Xero, etc.).

2021 Value _____

Your 2019 RI "gross receipts or sales."

For the purposes of this question, "gross receipts or sales" do not include any COVID-related financial assistance. "Gross receipts or sales" can be found on the following lines of your 2019 business tax return: Federal 1120, 1120S, or 1065: line 1a or Federal 1040/1040-SR/1041: Schedule C: part 1, line 1.

If your business started in 2019, calculate its annualized 2019 revenue [here](#) and enter value below.

2019 Value _____

Calculated Revenue Loss

"2019 RI gross receipts or sales" minus "2021 RI gross receipts or sales" and then divided by "2019 RI gross receipts or sales." If 35% or higher, you are eligible for funding. If you received a RI Rebounds Small Business Grant Program award, that amount will be subtracted from the fixed grant award amount of this program, \$12,500. Those Small Business Grant Program award amounts were either \$2,500 or \$5,000 so you will receive either \$10,000 or \$7,500 from the RI Rebounds Impacted Industries Grant Program for Restaurants and Event Support. If you did not receive RI Rebounds Small Business Grant Program funding, then you will receive the full \$12,500 award from this program.

2021 Value divided by 2019 Value = % revenue loss

2021 Value – 2019 Value = \$ revenue loss

25. How do I calculate my 2021 COVID related net financial need?

This is only needed for (1) Arts and Culture and (2) Hotels, Travel Agents, and Tour Operators applicants. RI Commerce Corporation provides a calculator to support businesses in determining their 2021 net financial need. Businesses or organizations will calculate net financial need using one of two formulas depending on the year the business was established.

To calculate your COVID-related net financial need click [here](#). This will be calculated by subtracting the total amount of COVID related grants or financial assistance received for 2021 from the total drop in gross receipts from 2019 to 2021. Businesses may also add COVID-related increased costs or expenses.

For businesses that began operating before January 1, 2019, here's how to calculate this:

- 2019 Gross Receipts or Sales: _____ (A)
- 2021 Gross Receipts or Sales: _____ (B)
- 2021 COVID Assistance: _____ (C)
- 2021 COVID-related Costs: _____ (D)

- Net Financial Need: _____ A minus B minus C plus D

For businesses that began operating between January 1, 2019, and December 31, 2019, here's how to calculate this:

- Months in Operation in 2019: _____ (A)
- 2019 Gross Receipts or Sales: _____ (B)
- Annualized 2019 Gross Receipts or Sales: _____ (C = B divided by A times 12)
- 2021 Gross Receipts or Sales: _____ (D)
- 2021 COVID Assistance: _____ (E)
- 2021 COVID-related Costs: _____ (F)
- Net Financial Need: _____ Subtract C minus D minus E plus F

29. What are eligible expenses for this program?

Grant funds may be used flexibly to pay for costs incurred between issuance of grant and December 31, 2022 which consist of:

- Wages and/or salaries of employees to avoid furloughs or layoffs;
- Operational costs incurred to enable the business to remain open; and/or
- Facilitating the reopening of the business and/or lines of business if normal business operations have been negatively impacted due to the pandemic.

Funds may not be used:

- To pay a distribution to a shareholder, member, partner or any other class of equity holder;
- To pay non-business expenses;
- To pay taxes or other amounts owed to government entities;
- For political purposes, including lobbying activities, donating to a political party, candidate, political action committee or to support or oppose any cause;
- To pay expenses for which the applicant has or will receive reimbursement from another source including other government grant or loan programs (state and/or federal), unemployment or insurance coverage; and/or
- To pay for renovations (unless the expenses are necessary to comply with COVID guidelines).

30. If my business entity type changed (e.g., Sole Proprietorship to an LLC) during the period of 2019 to 2021, which business entity type should I select in the application?

You should select your current business legal entity type. This should match the way you file taxes with the IRS and the State of Rhode Island.

31. If I changed my business's legal structure between 2019 and 2021, how would I complete my net financial need?

You should calculate your Revenue Loss (all 3 programs) and Net Financial Need (only for Arts and Culture, and Hotels, Travel Agents, Tour Operators) as if you have been in

continual operations for the entire time, you have operated your business. For example, if you were a Sole Proprietor in 2019 but are now an S Corp, you can complete the calculator(s) as if you were a business in continual operations from 2019 to present. If you have questions specific to your business's situation, please reach out for assistance.

32. Do I need to provide documentation as part of my application?

For the Restaurant and Event Professionals program, an applicant will not be required to upload any documentation initially to the application portal.

For both the Arts and Culture as well as the Hotels, Travel Agents, and Tour Operators, an applicant will need to upload a 1) completed PDF version of the Net Financial Need calculator as well as 2) its most recent tax return of the business/organization and documentation of revenue loss. Please ensure that the documentation verifies the exact amounts provided. Any discrepancies may lead to delay or deferrals from initial funding decisions.

Additionally, upon review of applications in all programs, it might be necessary for an applicant to provide additional information to validate and confirm application information entered. Therefore, the RI Commerce Corporation reserves the right to request additional documentation to demonstrate that a business meets eligibility criteria and other program requirements.

33. What documentation will I need to apply?

Although the RI Rebounds Hospitality, Tourism, and Events (HTE) Grant Program does not require any documentation as part of the official application, a percentage of applicants will be asked to provide documentation to verify the information provided in their applications. If contacted, you must provide documentation that supports the information in the application. Please keep the following (although this list may not be exhaustive) on file in case you are asked for it before or after you receive the grant:

- Information about any COVID-related assistance you've received.
- Documentation of "gross receipts or sales." For most, this will be done by collecting tax returns for 2019 and 2021. If you have not yet filed your 2021 taxes, this may include: a point-of-sale (POS) system export or screenshot; or a general ledger or accounting software report (e.g., a profit and loss statement from an accounting software like QuickBooks, FreshBooks, Xero) that shows annual revenue. If you haven't filed your taxes and do not have a point-of-sale, general ledger, or accounting system, please work with your tax professional or a Technical Assistance provider (see list in Question 22) to discuss documentation options.
- The list and supporting documentation of COVID-related increased costs or expenses (if used for calculating 2021 net financial need). Documentation may include receipts, invoices, bank statements, etc.

We ask that you retain this information for a minimum of 5 years, the federally required period, as discussed in Question 48 (Post-Award section).

34. What do I do if I received an ineligibility notice, but believe that I made a mistake on my application?

If you have questions about eligibility, please review the eligibility criteria in this document. After reviewing the FAQs and your submission, if you still believe you have incorrectly answered a question that you would like to correct, you may start a new application.

To perform this action:

- Return to the Home screen by clicking the “Rhode Island Commerce” icon at the top left of the screen; and
- Click "Add New Application."

This is the recommended option.

UNIQUE ENTITY IDENTIFIER (UEI) and SYSTEM OF AWARD MANAGEMENT (SAM)

37. What is a Unique Entity Identifier (UEI) number?

A UEI number is a unique 12-character alphanumeric ID assigned to an entity by SAM.gov. The UEI number replaces the former DUNS number. There is no cost to obtain an UEI. Entities with existing registrations can find their UEI or submit a registration for a UEI at SAM.gov.

38. Why is System for Award Management (SAM or SAM.gov) registration required for this program?

The US Department of the Treasury’s Interim Final Rule to implement the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) established under the American Rescue Plan Act (ARPA) expressly provides that the Uniform Guidance applies to SLFRF:

“[P]ayments from the Fiscal Recovery Funds as a general matter will be subject to the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200) (the Uniform Guidance).”

2 CFR parts 25.100 and 25.105 of the Uniform Guidance, in turn, establish that the System for Award Management (SAM) is the repository for standard information about applicants and recipients and provides that such part applies to “grants, cooperative agreements, loans, and other types of federal financial assistance.”

Further, paragraph C.4 of the U.S. Department of the Treasury’s Compliance and Reporting Guidelines [[SLFRF Compliance and Reporting Guidance Update 2.1 final \(treasury.gov\)](#)] provides that, “in administering a program...[the Corporation] will need to maintain procedures for obtaining information evidencing a given beneficiary, subrecipient, or contractor’s eligibility including a valid SAM.gov registration.”

40. What is the System for Award Management (SAM)?

The SAM is an official website of the U.S. Government. Typically, SAM is referred to as SAM.gov. There is no cost to register with SAM.

You can use SAM to:

- Register to do business with the U.S. Government.
- Update, renew, or check the status of your entity registration.
- Search for entity registration and exclusion records.
- Search for assistance listings (formerly CFDA.gov), wage determinations (formerly WDOL.gov), contract opportunities (formerly FBO.gov), and contract data reports (formerly part of FPDS.gov).
- View and submit BioPreferred and Service Contract Reports.
- Access publicly available award data via data extracts and system accounts.

41. Is it required to be registered with SAM to receive funding?

Yes, under the American Rescue Plan Act, Interim Final Rule, all eligible payees are required to have an active registration with the System of Award Management (SAM or SAM.gov) (<https://www.sam.gov>). **You do not need to have a SAM.gov registration before applying. However, it will be required to receive your payment.**

42. How long will it take an applicant to complete the SAM registration process?

It should take about an hour to register through SAM.gov once you have all paperwork in order. A SAM.gov registration will take on average 7-10 days to process but may take longer given your unique business’ situation and the General Services Administration (GSA) processing time.

43. Can I check on the status of my SAM.gov registration?

Yes. From the SAM.gov home page, click on “Check Registration Status” and follow the instructions. The SAM.gov system will also email you regarding your status throughout the registration validation process.

44. How much does it cost to acquire a SAM.gov registration?

The SAM.gov registration is **free**. If you receive any solicitation or navigate to any website requesting a fee to register for SAM.gov, be cautious. These services are not affiliated with this grant program or SAM.gov. **It is free to register, and free assistance is available** through the technical assistance partners listed in Q26.

AWARD AND PAYMENT DISBURSEMENT

45. Will I need to complete any paperwork like a grant agreement to receive the grant/funding?

Yes. Once your application has been reviewed and approved, you will be asked to complete a grant agreement and IRS W-9 form.

46. How will grant awards be delivered?

Grant awards will be sent by mail. Please make sure the mailing address used to apply is accurate to ensure timely delivery of payment.

47. If my business or organization receives an award, will my business or organization name, address, and award amount be made public?

Yes. The federal funding used for these grant awards (direct payments) requires the public disclosure of business names, addresses, and award amounts. If a business does not want this information to be made public, it should not submit the grant application.

POST-AWARD

48. How long does an approved and awarded applicant need to keep all documents related to this funding?

Per the U.S. Department of the Treasury guidance:

- **Financial records and supporting documents related to the award must be retained for a period of five years** (December 31, 2031) after all funds have been expended or returned to Treasury, whichever is later. This includes those which demonstrate the award funds were used for eligible purposes in accordance with the ARPA, Treasury's regulations implementing those sections, and Treasury's guidance on eligible uses of funds.

49. Are there any other post-award requirements that an applicant should be aware of?

Yes, approved and awarded businesses will be asked to participate in a post-award survey to collect certain metrics as part of the Rhode Island Rebounds Initiative. By accepting this funding, awarded businesses agree to participate fully in this survey and any others that may be sent to them.