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Gov. Wolf Initiates Transfer of \$145 Million in Funds to Support Businesses Adversely Affected by COVID-19 Pandemic

Harrisburg, PA -- Governor Tom Wolf today announced that he has initiated a transfer of \$145 million in funds from the Workers' Compensation Security Fund at the Pennsylvania Insurance Department to be appropriated by the state legislature into grants for businesses adversely affected by the COVID-19 pandemic.

"Business owners and employees have worked hard to protect their customers and their communities during this pandemic, and I thank all of those who have prioritized health and safety despite the hardship of the past several months," Gov Wolf said. "Our business owners and workers have been forced to make sacrifices because of COVID-19 and they need and deserve our support.

"Today, I am pleased to announce that my administration will make funds available to help businesses whose operations and revenue were significantly adversely affected by the COVID-19 pandemic."

The \$145 million transfer from the fund into the state's general fund requires legislative authorization to expend the loaned money for the purpose of making grants to businesses. The legislature has the authority to establish grant agreements for purposes it deems appropriate, in this case, to support businesses adversely affected by the pandemic.

Gov. Wolf urged the legislature to follow his lead and allocate this funding as quickly as possible to businesses affected by the pandemic, among them restaurants and bars, gyms and entertainment venues.

Since the start of the pandemic, the Wolf Administration has provided for more than \$525 million in relief to businesses and non-profits in addition to federal support through programs such as the Paycheck Protection Program:

- In March, **the COVID-19 Working Capital Access Program** under the Pennsylvania Industrial Development Authority's (PIDA) Small Business First Fund provided \$60 million in loans of \$100,000 or less to 750 for-profit businesses with 100 or fewer full-time employees.
- In April, the Department of Economic Development provided **loan forbearance** for all borrowers with the Ben Franklin Technology Development Authority, the Commonwealth Financing Authority (CFA) (excluding PENNWORKS program loans), the Pennsylvania Industrial Development Authority (PIDA), and the Pennsylvania Minority Business Development Authority. As a result, the maturity of the loans was extended for three months.
- In June, the **COVID-19 Small Business Assistance Grant Program**, using CARES Act funding allocated by the General Assembly, was created to support small businesses

that were affected by the COVID-19 public health crisis and subsequent business closure order. More than 10,000 businesses were approved for \$192 million in grants through the COVID-19 Relief – half of which were historically disadvantaged businesses.

- In June, the **COVID-19 Cultural and Museum Preservation \$20 million grant program** through the CARES Act for cultural organizations and museums offset lost revenue caused by the COVID-19 pandemic and the resulting shutdown order.
- In August, the administration awarded \$50 million in **hazard pay** grants to help 639 employers provide hazard pay to employees in life-sustaining industries during the COVID-19 pandemic.
- In the summer, the administration provided a total of \$220 million in CARES Act Child Care Development Funds for **child care providers** to support this important sector during the pandemic.
- In October, the administration **waived liquor license fees** to provide financial relief to restaurants and bars during the COVID-19 pandemic. More than 16,000 Pennsylvania restaurants and bars, clubs, catering clubs and hotels will see \$20 million in relief.

“There is more that needs to be done to help struggling businesses,” Gov. Wolf said. “Just as the CARES Act did in March, the bipartisan COVID-19 relief package Congress passed this week will provide desperately needed aid to businesses and industries throughout Pennsylvania. But that bill is not sufficient to meet the needs of the Pennsylvania businesses that have seen the worst consequences from this pandemic.”

Pennsylvania Senate Democrats have introduced the Pennsylvania Coronavirus Aid, Relief & Economic Security Act of 2021 ([PA CARES 21](#)) – a COVID-19 relief and recovery plan that would authorize the commonwealth to issue \$4 billion in emergency debt to recapitalize programs previously funded with federal CARES funds and establish new programs that provide targeted assistance to struggling Pennsylvanians and struggling sectors of the economy.

“This plan would provide resources directly to Pennsylvania families, workers, businesses, healthcare providers, educational institutions, first responders, local governments, and other entities that have been devastated financially by the pandemic,” Gov. Wolf said. “In addition to this plan, I encourage Congress to pass the \$120 billion Real Economic Support That Acknowledges Unique Restaurant Assistance Needed to Survive (RESTAURANTS) Act to help the struggling restaurant and bar industry.

“While all businesses should be eligible for relief, I encourage the General Assembly to target the \$145 million I initiated a transfer for today to those businesses with the greatest need.

“I urge the General Assembly to take action as soon as possible to get this money into the hands of the business owners and workers who need it. The money is available and ready to be distributed and our businesses can’t afford to wait.”