Small Business CARES Relief Grants

Frequently Asked Questions

What is the Small Business CARES Relief Grant Program?
The Small Business CARES Relief Grant Program was created by the State of New Mexico in the November 2020 Special Session to provide $100 million in grant funding to New Mexico small businesses that are experiencing financial hardship due to the pandemic. This grant program is being administered by the New Mexico Finance Authority (NMFA).

What is a grant?
A grant is money given for a specific purpose without any obligation to repay the funding. In this case, grants will be given to help New Mexico businesses weather the economic hardship due to the pandemic. This grant does not need to be paid back.

Who can apply for a Small Business CARES Relief Grant?
Small Business CARES Relief Grants are available to New Mexico for-profit businesses and nonprofit organizations with 100 or fewer employees that meet one of the following requirements:

A. Sole proprietors owned by a New Mexico resident.
B. Corporations, partnerships, joint ventures, limited liability companies or limited partnerships that are at least 51% owned by one or more New Mexico residents.
C. Nonprofit corporation designated as a 501(c)(3), 501(C)(6) or 501(c)(8) entity, or a 501(c) organization that serves past or present members of the Armed Forces of the United States.

Are these different from the CARES grants being given out by NM cities and counties?
Yes, this is a different grant program. You may apply for a grant for a Small Business CARES Relief Grant even if you’ve applied for funding from your city or county. All businesses that meet eligibility guidelines may apply for funding regardless of whether you already received State or Federal assistance.

When will the application be open?
The application will open the week of December 7 until noon on December 18. Please note that this is only 11 days. We encourage you to apply as early as possible. Applicants should submit only one application. Duplicate applications will not be reviewed.

Are the grants given out first-come, first-served?
The applications will be funded in three rounds so that businesses that apply later in the application period still have a chance to obtain funding. The funding rounds and amounts set aside for funding are as follows:

Round 1: Applications submitted by Noon on December 10: $40,000,000
Round 2: All applications submitted by Noon on December 15 and those unawarded applications from Round 1: $35,000,000
Round 3: All applications submitted by Noon on December 18 and those unawarded applications from Rounds 1 and 2: $25,000,000 plus any allocated funds that were not used in earlier rounds.
Applicants should apply only once. If an application is not funded in the round in which it was submitted, the application will roll into the next round and will be considered again.

**How do you decide which applications to fund?**
To ensure that grants have been distributed throughout the State, 40% of the funds have been set aside for businesses in rural areas. Businesses in the Hospitality and Leisure industries will be been given priority to the funding as directed by the legislation.

If there are more applications then available funding, NMFA will prioritize the applications based on each business’s profit or loss per employee and will fund the applications in the order prioritized.

**What expenses can I pay with this grant?**
The grant may be used for regular business expenses that cannot be paid without additional assistance due to revenue losses because of the pandemic. The grant may also be used for expenses incurred due to the pandemic, such as PPE or retrofitting a business to meet COVID-19 safety guidelines.

**What are the grant amounts? How much can I ask for?**
Businesses will be awarded grant amounts based upon the number of individuals they employ. The grant amounts are fixed amounts that are based on quarterly wage reports submitted to the New Mexico Department of Workforce Solutions. Businesses that do not pay unemployment taxes (non-employer businesses) and those that do not submit a copy of the quarterly wage report will be eligible for a grant of $2,000.

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<thead>
<tr>
<th>Number of employees</th>
<th>Grant Amount</th>
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<tbody>
<tr>
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<td>76-100</td>
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I’ve had to reduce staff because of the Emergency Health Orders. How will this affect the amount of grant I receive?
Applicants are able to use pre-COVID employment levels for purposes of determining the grant amount. Applicants are able to submit any quarterly wage report from March 31, 2019 to date.

**How do I apply?**
The application is available online at [https://www.nmfinance.com/cares-continuity-grants/](https://www.nmfinance.com/cares-continuity-grants/). The website also includes tools to help with the application process. If you have questions, please email [cares@nmfa.net](mailto:cares@nmfa.net) or call 505-992-9696.

**How long is the process?**
If your application is approved in the funding round it was submitted, you could receive your grant in 7-10 days. If your application is not approved initially and rolls over to the next round, the process could take as long as three weeks. All funding is expected to be disbursed by December 24th.

What documents do I need to submit with my application?
- 2019 business federal tax return;
- A quarterly employment wage report submitted to the New Mexico Department of Workforce Solutions for any quarter ended March 31, 2019 or later. If no report is provided, applicant will be considered a non-employer business;
- applicant’s NAICS Code;
- bank account information including a copy of cancelled or voided check; and
- copy of the driver’s license or government-issued identification card for the authorized officer and all New Mexico resident owners that make up at least 51% of the business.

Applications that do not have the required documents are considered incomplete. Incomplete applications will be considered the lowest priority and may result in decline. NMFA staff will inform applicants through email regarding missing attachments. Applicants should watch their inbox, junk folder and spam filters for email from @nmfa.net, and @formstack.com emails notices.

NMFA may request additional information to verify residency, number of employees, measurement of severe economic impact, or anything else needed to evaluate the application.

How is “New Mexico Resident” defined?
“New Mexico Resident” means an individual who has certified that the individual is domiciled in this state during any part of the year or that the individual was physically present in this state for at least 185 days during the taxable year, as evidenced by a valid New Mexico State Driver’s License or government-issued identification card.