

Missoula Economic Recovery Task Force: COVID-19 Navigation Summary

Updated 4/3/20

Unprecedented efforts are underway to understand and respond to the impacts people are experiencing during the COVID-19 pandemic. The [Missoula County Economic Recovery Taskforce](#) is a partnership of public and private for-profit and non-profit entities working to ensure you recover and prosper in the future by:

- 1) understanding how you are being affected economically,
- 2) improving access to resources that are available to help you now,
- 3) making you aware of resources that are in development,
- 4) and identifying any remaining gaps in resources.

We are organizing information and resources through two pathways: help for business entities and help for individuals.

An Employer's 4-Step TEAM Approach to COVID-19 Navigation

Below are four steps you can take to prepare your business. Much of the information provided here reflects programs that are still being defined at the federal level. We will update this information regularly as details are resolved. If you have established relationships with your lender, a financial advisor, and an attorney we strongly suggest you reach out to them all as soon as possible to support you in navigating this process. If you do not have established relationships, we are working to develop teams of volunteers to help navigate this process and make your use of professional service providers as efficient and cost effective as possible.

1. Take steps to protect the health and safety of your workforce:

- a. Implement the [Families First Coronavirus Response Act](#)
 - i. This Act requires employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19.
 - ii. The only small business (fewer than 50 employees) exemption applies to employee leave to care for a child whose school or daycare is closed for COVID-19.
- b. Ensure your business and your staff are following [state](#), [local](#), and [federal](#) directives.
- c. If you are considering a strategic workforce reduction, first determine your liquidity and your need for financial relief or assistance (see item 3 below) to evaluate options and incentives available to encourage employee retention.
- d. If a workforce reduction is needed, provide your workforce with information on the resources available to help them financially through this transition.
 - i. Unemployment
 - ii. [Economic Impact Payments](#)
 - iii. [Job Services](#)
 - iv. Some banks and credit unions are also offering relatively low interest personal loans to bridge funding until these resources become available.

2. Evaluate your contracts and assess them for needed modifications:

Review your major agreements and contracts, such as supplier arrangements, leases, and loans. If you anticipate difficulty making payments, reach out to the entities with which you have agreements to discuss options. Many entities are willing and able to make accommodations, defer payments, or restructure agreements, but only with proactive communication about these needs. You may be better prepared for step three if you understand these options before you measure your liquidity.

3. Assess your cashflow.

4. Make contact with your lender or directly to the SBA for financial relief or assistance.

- a. You can apply right away directly to the Small Business Administration for an **SBA Economic Injury Disaster Loan (EIDL)**. [Here is a link directly to the application.](#)

The Economic Injury Disaster Loan Program (EIDL) can provide up to \$2 million of financial assistance (actual loan amounts are based on amount of economic injury) to small businesses or non-profit organizations that suffer substantial economic injury as a result of COVID-19.

Applying for an EIDL loan qualifies your business for a loan advance of up to \$10,000. The SBA hopes to fund the advance to a business' bank account within three days of application. **This advance does not need to be repaid as long as it is used for qualifying expenses.**

Applications for the EIDL program are processed first come, first served. You will be contacted by an SBA loan officer to discuss your application, hopefully within 2-3 weeks. The maximum loan amount is \$2 million with a 30-year term and rate of 3.75% (2.75% for non-profits).

- b. The Small Business Administration is currently working to establish rules and guidelines for the [Payroll Protection Program \(PPP\)](#). This program is designed to cover operating costs so that you can keep more employees on your payroll or quickly rehire them. You will be able to apply for this program through local banks and credit unions.

Because the SBA is still working on the official guidelines for the program, your local bank may not have an application process available yet. In the meantime, gather documents to apply for the PPP while we wait for more information. These documents may include:

- Verification of employees, including full-time and part-time hours worked
 - Pay rates
 - IRS payroll tax filings
 - Verification of operating expenses, including rent, utilities, or other bills
- c. After the official PPP guidance is issued from SBA, talk with your lender, your attorney, and your tax advisor to determine how to use the SBA Economic Injury Disaster Loan, Payroll Protection Program, and the tax provisions created by the CARES act for

maximum benefit. You cannot apply for multiple financing to cover the same things — no double dipping — but you may be eligible to receive loans from both programs to cover different things. Also, businesses receiving PPP funding become ineligible to receive the Employee Retention Tax Credit or deferral of payroll tax payments created by the CARES Act.

As more information about the CARES Act financial resources becomes available, Economic Recovery Taskforce partners are working with local advisors to make business advising available to employers who need expert assistance in the weeks ahead.

Help for Individuals

****This is a resource-in-progress and will be updated as information comes available.***

Unemployment

The passage of the CARES Act has created an expanded definition for unemployment benefit eligibility under the Disaster Unemployment Assistance program. This program makes unemployment benefits available to people who would not have previously been eligible for these benefits, including self-employed people, independent contractors, sole proprietors, and part-time workers.

As this bill has just recently passed and creates a new definition and program, the administration is still in the process of defining how eligibility will be determined and the **application for these benefits is not yet available to newly eligible workers.**

If you are among this newly eligible class and intend to apply for Disaster Unemployment Assistance, **you should gather any documents that demonstrate proof of income and earnings, tax returns, and 1099's to have these materials ready when application does open.**

Emergency rules to streamline unemployment benefits for workers impacted by COVID-19 have already been implemented in the state of Montana. [Apply here](#) immediately for unemployment if you are in a group considered eligible previous to the passage of the CARES Act.

These emergency rules:

- Allow a claimant directed by their employer to leave work or not report to work due to COVID-19 to qualify as being temporarily laid off by the employer and eligible for benefits.
- Designate that workers who must quarantine or who need to take care of a family member due to COVID-19 are also considered temporarily laid off and eligible for benefits.
- Allow Department of Labor to waive the one week waiting period before typically receiving benefits to ensure Montanans don't experience a long gap without a paycheck.

Montana employers will also receive help through these rules. Individual claims will not be chargeable to a specific employer's account. The rules also include a provision that could extend the time employers have to file wage reports and pay unemployment insurance contributions if the delay is related to COVID-19.

Other Resources:

<http://montana211.org/>