

BUSINESS BRIEFING

Special Business Briefing – ND Smart Restart Guidelines; NEW funding for EIDL/PPP and NEW financial support available through BND!

April 30, 2020



Michelle Kommer,
Commerce
Commissioner



Al Haut,
U.S. SBA
District Director



Eric Hardmeyer
President & CEO
Bank of ND



Bryan Klipfel,
Executive Director
Job Service
& WSI



Jon Godfread,
Insurance
Commissioner

CONGRESSIONAL DELEGATION REMARKS



U.S. Senator
John Hoeven



U.S. Congressman
Kelly Armstrong

DISCLAIMER

- The information you receive today does not serve as legal or financial advice. You should consult with your financial services professional before making any decisions regarding your business.

4/30/2020

TODAY'S GOAL

- The goal today is to PROVIDE YOU NEWLY AVAILABLE INFORMATION, including “ND Smart Restart” information and new information on federal and state resources.



ASK QUESTIONS

- Submit your questions to businesshelpCOVID19@nd.gov
- Find out more about the ND Smart Restart at BeLegendary.link/NDSmartRestart

AGENDA

- ND Smart Restart!
- CARES Act – PPP and EIDL refunding & FAQ's
- Bank of North Dakota – New Emergency Financing
- Unemployment Insurance Updates
- Insurance Updates
- Closing Remarks



ND
SMART
RESTART



Michelle Kommer,
Commerce
Commissioner

EXECUTIVE ORDER

- EXECUTIVE ORDER 2020.6-3
- EXECUTIVE ORDER 2020.6-4

8 CRITERIA FOR A ND SMART RESTART



Widespread rapid **testing**



Robust **contact tracing**



Targeted, effective
containment

Protections for most
vulnerable



Sufficient **health care**
capacity



Ample **PPE** availability

New **standard operating**
procedures for businesses



Prepared for resurgence

CARE19



**YOU CAN HELP
SAVE LIVES.**

Download the Care19 app today!

Available now!

Download on the
App Store

GET IT ON
Google Play



NORTH
Dakota Be Legendary.™

BeLegendary.link/Care19
#InThisTogetherND

ND SMART RESTART GUIDELINES

➤ **ND Smart Restart includes standards for all industries.**

- ❑ Adhering to CDC and NDDoH guidelines
- ❑ Completing workplace assessment
- ❑ Limiting occupancy to ensure 6ft distancing
- ❑ Posted signage with guidance
- ❑ Encourage cloth face coverings
- ❑ Contactless payment systems
- ❑ Provide sanitizer, soap & water
- ❑ Regularly disinfect high-touch surfaces
- ❑ Policies and procedures for isolation
- ❑ Encourage use of Care19 app to improve contact tracing

➤ **Details available online at ndresponse.gov**

ND SMART RESTART FOR HIGH CONTACT BUSINESSES

➤ **Executive Order 2020-06.3 included the following sectors, which we are addressing in phase one:**

- ❑ Restaurants, bars, breweries, cafes (*offsite sales remained open*)
- ❑ Recreation facilities, health clubs, athletic facilities
- ❑ Licensed cosmetologists: estheticians, manicurists, salons, barbershops
- ❑ Personal care: tattoo body art, tanning, massage

STATEWIDE INDUSTRY WORKING GROUP REPRESENTATION

➤ **Industry associations partnered in creating protocols.**

- State Board of Cosmetology
- American Massage Therapy Association
- ND Barbers Association
- ND Parks and Recreation Association
- ND Destination Marketing Association
- ND Retail Association
- Over 60 ND citizen volunteers from 23 communities

LIST OF PROTOCOLS

➤ **Protocols:**

1. Restaurants, bars, breweries, distilleries, and food trucks
2. Hair salons, nail salons, barbershops, tanning salons, waxing studios and other cosmetology related businesses
3. Medical spas
4. Massage therapy
5. Fitness centers
6. Tattoos and body piercing

ND SMART RESTART



Since the first case of COVID-19 was confirmed in North Dakota on March 11, we have learned much about this disease and about ourselves. Over the past six weeks, I challenged all of us to let go of being "North Dakota tough" and embrace being "North Dakota smart," and you have answered the call. In every county, every tribal nation and every corner of our state, you have demonstrated the power of individual responsibility in slowing the spread of the coronavirus. The vast majority of North Dakota's economy remained open through this crisis. Our success hinged on a low-mandate, high-compliance approach, and North Dakotans have done their part. We encourage you to embrace the North Dakota Smart Restart plan as a roadmap to a better, safer and healthier tomorrow for employers, employees and customers alike. In the coming weeks, we will continue to visit with industry leaders to plan for reopenings in a smart and collaborative manner. Despite our ongoing challenges, I remain optimistic that North Dakotans will draw upon our state's deeply engrained values of personal responsibility, common sense and caring for our fellow residents. We will move forward as one North Dakota – in liberty and union, now and forever, one and inseparable – and emerge stronger than ever.

Doug Burgin

[Eight Conditions to ND Smart Restart](#)

ND SMART RESTART Protocols

We encourage North Dakotans to embrace this North Dakota Smart Restart plan as a roadmap to a better, safer and healthier tomorrow for employers, employees and customers alike. This applies not only to those businesses affected by executive orders, but to all businesses as we enter this new normal.

[Click here to view ND Smart Restart Protocols](#)



Industries should adhere to [universal protocols](#) and industry specific standards below

Restaurants and Bars ND Smart Restart guidelines for re-opening restaurants, bars, breweries, distilleries, food trucks	Fitness Centers ND Smart Restart guidelines for re-opening fitness centers	Personal Services ND Smart Restart guidelines for re-opening hair, nail and tanning salons, waxing studios and other cosmetology related businesses	Coming Soon! Guidelines for recreation centers, athletic centers, music venues and theaters

Links and Resources

Agriculture

- [COVID-19 Guidance for Agriculture](#)
- [COVID-19 Farmer Market Guidance](#)
- [COVID-19 Farms and Deliveries Guidance](#)
- [COVID-19 Guidance for Processing, Manufacturing, Agribusiness and Agricultural Operations that are Essential and Critical](#)

Energy

- [Help Keep Construction Workers Safe](#)
- [Safety Practices for Critical Infrastructure Workers](#)

Business Toolkit

[Dear Sign](#)

Manufacturing

- [Help Keep Manufacturing Workers Safe](#)

Misc. Resources

- [COVID-19 Guidance for Construction](#)
- [General Close Contact](#)
- [General CDC Guidance](#)
- [Guidance for Preparing Workplaces for COVID-19](#)
- [School Nutrition Association](#)



Industry should adhere to universal protocols and industry specific standards

[Printable Universal Protocols](#)

[Printable Restaurant and Bar Standards](#)

Movement and Activity

Gathering Size/Physical Distancing/Workplace Activity

- Capacity will be limited to 50% of normal operating capacity
- Allow for six feet of spacing between groups: increase table spacing by removing tables, marking tables closed or provide a physical barrier between tables. Back to back booth seating is allowed.
- Waiting areas (indoor or outdoor) must be marked so physical distancing standards are met. Restaurants can determine policy for wait areas.
- Tables must be limited to 10 people per table.
- In-house dining areas for quick service restaurants must meet all guidelines with tables to be sanitized between customers or if that is not possible offer only take-out.
- Standing in bars is not allowed. Bar stool seating will be allowed for 1-2 guests, with 6 feet of separation between groups.

Employee and Customer Safety and Trust

Hygiene and Cleaning/Special Measures

- Drink refills are not allowed unless served in a clean unused glass or cup.
- Menus should be single use paper or on a material that can be sanitized after each use.
- Drink coasters should be single-use or of a material that can be sanitized after each use.
- Tabletop electronics for ordering or contactless payments must be sanitized after each use.
- No self-service cups, straws or lids will be allowed – they should be behind counter and handed to customer. Only individually wrapped straws are allowed.
- Self-service condiments should be eliminated and provided by request in single use or disposable containers.
- Blackjack tables will remain closed. Gaming machines must be separated by a minimum distance of 6 feet or placed out of service.
- Hand-held entertainment or reservation notification devices are not allowed.
- Dance floors are closed.
- Encourage customers to download the Care19 App to increase success levels with contact tracing.



Additional Resources

- [Guidance on Preparing Workplaces for COVID-19](#)
- [National Restaurant Association Reopening Guidance](#)
- [FDA Best Practices](#)

ndresponse.gov

#InThisTogetherND

➤ CARES ACT -
PPP/EIDL
REFUNDING &
FAQ'S



Al Haut,
U.S. SBA
District Director

UPDATE / FAQ'S



U.S. Small Business
Administration



[General SBA](#)



[PPP Specific](#)



[Coronavirus](#)



[SBA EIDL](#)

➤ BANK OF
NORTH DAKOTA
– NEW
EMERGENCY
FINANCING



Eric Hardmeyer
President & CEO
Bank of ND

General Program Overview

Intent

- To assist those businesses financially impacted by the COVID-19 Pandemic.
- To provide low cost, long-term working capital to North Dakota businesses providing cash flow to re-start business.
- To provide a stabilization period of up to 6-months as economy restarts.

Program Capacity

- \$50,000,000 for the SELF Program
- \$1,800,000,000 for the CPR Program utilizing \$200,000,000 in buydown

Overall Guidelines

- Program intent is to re-start business. Agriculture producers and governmental entities are not eligible.
- Business must be located in North Dakota or if HQ is outside ND, loan may only support ND operations.
- Business is eligible for only one of the programs offered. Multiple locations may not apply as individual locations.

BND is relying on **Lead Lenders to adhere to program guidelines.*

A woman with long brown hair and glasses, wearing a white and blue striped button-down shirt and tan trousers, stands in an office. She is smiling and holding a smartphone in her hands. The background shows a desk with a laptop and an office chair. A teal horizontal bar is overlaid across the middle of the image, containing the text 'Small Employer Loan Fund (SELF)'.

Small Employer Loan Fund (SELF)

SELF Loan

Eligibility

The borrower must be a ND business, with an employee count of 10 full-time equivalents (FTE) or less that was conducting business March 13, 2020.

Loan amount

The maximum loan amount is equal to six months of operating expenses plus interest as well as any amount needed to replenish inventory, or a maximum loan of \$50,000, whichever is less.

SELF Loan – Use of Proceeds

Proceeds may be used to:

- Support working capital needs, recurring expenses and replenish inventory
- Term out COVID-19-related bridge loans originated on or after March 13, 2020. This amount may not exceed 20% of the maximum loan amount.

Loan funds may not be used to:

- Fund capital purchases or business expansion
- Refinance existing debt
- Provide distributions or dividends to owners

Interest Rate and Fees

- Interest rate is fixed at 1%
- BND will pay a one-time service fee to the lead financial institution of \$250 or 1% of loan amount on loans over \$25,000

SELF Loan – Collateral Requirements

- No collateral is required for loans \$25,000 and under
- A shared lien on all business assets is required for loans over \$25,000
- All loans require unlimited personal guarantees

A man with dark hair, wearing a blue button-down shirt, is leaning over a wooden table in a workshop or office setting. He is talking on a white smartphone held to his ear with his left hand, while his right hand is on the keyboard of a silver laptop. On the table in front of him are a stack of papers with a pencil, and a black and white disposable coffee cup. The background shows a large, open space with wooden beams and windows, suggesting a modern, industrial-style workspace.

COVID-19 PACE Recovery Program (CPRP)

CPRP Loan

Eligibility

The borrower can be any person or entity whose business is located in North Dakota. Loan funds may only be used to support operations in the state of North Dakota.

Loan amount

- For businesses of 500 or fewer employees: Maximum loan amount is the lesser of \$5,000,000 or six months of operating expenses plus interest
- For businesses of 501 employees or more: Maximum loan amount is the lesser of \$10,000,000 or six months of operating expenses plus interest

CPRP Loan – Use of Proceeds

Proceeds may be used to:

- Support working capital needs in the state of North Dakota
- Term out COVID-19-related bridge loans originated on or after March 13, 2020. this amount may not exceed 20% of the maximum loan amount.

Loan funds may not be used:

- For capital purchases or business expansion
- To refinance any existing debt
- For the relocation of the business

Interest Rate and Fees

- Interest rate will be fixed at 3.75% for up to five years. BND to net 3.50%. The lead lender to retain a 0.25% service fee. Borrower will receive a 1% interest rate for the term of the buydown or until buydown funding is exhausted.
- The buydown of the interest rate to 1% will only occur on permanent financing.

➤ UNEMPLOYMENT
INSURANCE
UPDATES



Bryan Klipfel,
Executive Director
Job Service & WSI

UPDATE

- Unemployment Insurance Claims
- FPUC
- PUA
- PEUC

EMERGENCY UNEMPLOYMENT RELIEF

- State and Local Governmental Entities
- Certain Nonprofit Organizations
- Federally Recognized Indian Tribes

TRUST FUND

- What is it?
- Balance
- Looking Forward

FAQ'S

- If I'm self-employed and don't feel I can meet the ND Smart Restart protocols, am I still eligible for unemployment insurance?
- What if my employees refuse to come back to work?
- Job Service EMPLOYER Questions: 701-328-2814

➤ INSURANCE
UPDATES



Jon Godfread,
Insurance
Commissioner

HEALTH INSURANCE & ANTIBODY TESTING

- **Health Insurance Covers Medically Necessary Testing and Treatments**
 - **Public Health Surveillance – Is not considered medically necessary**
 - **Employment Screenings – Is not considered medically necessary**

➤ CLOSING REMARKS

MAY 7: Please join us for a **SPECIAL EDITION Business Briefing** with President of the Minneapolis Federal Reserve, Neel Kashkari, to discuss the economic impact of COVID-19 pandemic, including North Dakota-specific observations and his thoughts on what the future holds. The session will be moderated "interview style", with your questions presented to President Kashkari by Commissioner Michelle Kommer; so please be sure to submit your questions at the time of registration!



Arik Spencer,
President & CEO
Greater ND Chamber