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

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CONGRESSIONAL DELEGATION REMARKS

U.S. Senator
John Hoeven

U.S. Congressman
Kelly Armstrong

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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.
Submit your questions to businesshelpCOVID19@nd.gov

Find out more about the ND Smart Restart at BeLegendary.link/NDSmartRestart
This recording and materials will be available for later use. Please spread the word to North Dakota businesses through your social media, business and trade groups, and other ways.
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

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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

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YOU CAN HELP SAVE LIVES.
Download the Care19 app today!

Available now!
Download on the App Store
GET IT ON Google Play

BeLegendary.link/Care19
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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

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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
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

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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

Industries should adhere to universal protocols and industry specific standards below:

Movement and Activity

- Airlines and rail: Passengers must wear face coverings, social distancing in effect.
- All facilities shall have capacity limits in place with appropriate social distancing measures.
- Movement in Groups can occur in a limited capacity (five people max).
- Weekend restrictions remain in place.
- Food service and retail must be practiced with physical distancing standards in place.
- No more than 10 people may meet at an event.
- All groups must be kept separate from each other.
- All gatherings are capped at 100 people.

Links and Resources

- Agriculture
  - COVID-19 Guidance for Agriculture
  - North Dakota Coronavirus (COVID-19) Information
- Businesses
  - COVID-19 Business Resources
  - North Dakota Department of Commerce
- Manufacturing
  - COVID-19 Resources for Manufacturing
  - North Dakota Department of Commerce
- Food and Drink
  - COVID-19 Resources for Food and Drink
  - North Dakota Department of Commerce
- Retail
  - COVID-19 Resources for Retail
  - North Dakota Department of Commerce
- Government
  - North Dakota Governor's Office

Employee and Customer Safety and Trust

- Businesses must provide face coverings for employees and customers.
- Social distancing of at least six feet should be maintained.
- All employees and customers must wear face coverings.
- Freelance workers are required to wear face coverings at all times.
- No use of public transportation.
- All employees and customers must be screened for symptoms before entering.
- All employees and customers must wash their hands frequently.
- All employees and customers must sanitize their hands frequently.
- All employees and customers must wear face coverings at all times.
- All employees and customers must practice social distancing.
- All employees and customers must use hand sanitizer.
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Additional Resources

- North Dakota Department of Health
- North Dakota Agriculture Department
- North Dakota Commerce Department

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Visit ndresponse.gov for more information.
CARES ACT - PPP/EIDL REFUNDING & FAQ’S

Al Haut, U.S. SBA District Director

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BANK OF NORTH DAKOTA – NEW EMERGENCY FINANCING

Eric Hardmeyer
President & CEO
Bank of ND

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### 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.*
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
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

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UPDATE

- Unemployment Insurance Claims
- FPUC
- PUA
- PEUC

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EMERGENCY UNEMPLOYMENT RELIEF

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

What is it?

Balance

Looking Forward
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

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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!