

This afternoon, Governor Ned Lamont and the Connecticut DECD Commissioner David Lehman shared how the state is responding to the economic dimensions of this crisis. I wanted to provide this useful information to you in the event that it can provide help and / or hope to you as you navigate these times.

*From DECD surveys it was indicated that approximately:*

- 40% of CT businesses felt prepared for an event like this with contingency plans in place.
- 50% of CT businesses are working as usual.
- 36% of CT businesses are working some type of reduced process.
- 12% of CT businesses have closed.
- 80% of CT businesses expect reduced sales.
- 45% of CT businesses are already experiencing supply chain disruption.

*The Governor has advised that:*

- The State believes that business doing great with social distancing.
- The economic ramifications will be worse than the 2008 downturn.
- Unemployment claims have been up 20x over normal.
- We could be looking at 3 – 9 months of disruption.
- Business have employees stay home if non-essential and / or can work remotely.
- There is no current consideration to shut down manufacturing.
- There is no current consideration to shut down construction.
- “Take away” dining will alcohol sales (but not delivery, which is in consideration).
- The local response has been very good, so the State is hoping to not do any type of statewide shutdown, however people must stay socially distant.

*Available Assistance:*

- Payroll: The DOL is relaxed unemployment requirements including allowing temporary layoffs and furloughed workers to obtain benefits; and extending the shared work program to allow for partial reduction in hours of 10-60% with the employer and the DOL sharing the payroll cost by such percentage.
- Lending: SBA is offering disaster loans of up to \$2MM on 30 year terms @ rates of 2.75 to 3.75%.
- Bridge Loans: The DECD is close (e.g. early next week) to making low cost bridge loans available for working capital at 0 to 1% rates for up to 12 months terms.

- Relief: The State is allowing many types of delayed payments, including delayed payments for DECD / Small Business express loans (3 months), tax payment date extensions (to June 15) and CT Student Loan payments (forbearance program); all to free up capital for businesses.
- Regulatory Relief: Many existing regulatory requirements are reduced to allow sales easier outside of normal regulatory requirements (e.g. CT DSS is allowing telemedicine by telephone for providers, etc.).
- Utilities: No utilities may be shut off at least through May 1 (the State is working on an extension here).
- Sick Leave: Fed law is requiring employers with <500 employees to provides 2 weeks of paid sick leave (at 2/3 normal pay rate and certain caps) and FMLA leave to employees affected by coronavirus personally or as caretakers, which will be reimbursed as a tax credit (note this is not cash relieve so working capital will still be affected).
- Stimulus: Additional government stimulus, including for small and medium businesses, is currently being discussed, no specifics yet.
- CT Innovation: Has a \$60MM fund for bridge loans and long term loans available to their currently supported companies.

*Contacts:*

- My contact information is below.
- You can also contact the DECD COVID-19 Response Unit to discuss resources at 860-500-2333 [Covid19.jic@ct.gov](mailto:Covid19.jic@ct.gov).

Wishing you well, and hoping that you and yours are, and remain, safe and healthy.

Best -

Regards,  
Ben

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