

## Small Business Call

**Governor Ned Lamont**

**DECD Commissioner David Lehman and Deputy Commissioner Glendowlyn Thames**

**Over 2,000 people on the call**

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Survey Results to date – 3,000 response and we urge you to respond.

- 50% have mandated or are voluntarily participating in remote work
- 40% felt prepared to work remotely
- 50% open operating at regular or close to regular function
- 36% reduced operating capacity
- 12% closed
- 80% reduced sales expectations

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### **Governor Lamont Comments**

- If you can stay home, stay home.
- 12,000 unemployment claims yesterday
- The challenge – “How do we keep business community whole”?
- Governor to the Fed: Hurry up!
- In his experience during the 2008-2009 period revenues disappeared – fixed costs didn’t – tax credits long way out and not the way he’s thinking
- Fixed Costs:
  - Payroll – perhaps unemployment even for part timers
  - Rent – working on local level to abate, defer
  - Debt – no regulatory barriers to re-am loans and stretch payments. Banks will be partners is his hope.
  - Health Insurance – talking to providers – deferring payments for period of time TBD
  - Utilities – negotiating at this time – no cut-offs on an individual business – what about small business?
- Legislative Package
  - Working with the Fed...when are they stepping
  - Working with legislature – calling out Len Fasano – who says we can’t pay back loans right now we need – bridge loans
- Powering through Together
- Partnering with HealthCare
- Working with Mayors, Econ Development
- Consistent messaging from all levels

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### **David Lehman, Commissioner of DECD Comments**

- PAYROLL
  - Unemployment benefits for temporary, furloughed and RIF
  - DOL Shared work program – for those who have not laid everyone off
  - Significant increase in claims – 12,000 yesterday
- LENDING

- Declaration for Emergency SBA – apply for loans up to 2 million – terms up to 30 years at 2.75 – 3.75%
- SBA over-whelmed – and DECD working with
- CT DECD
  - Designing bridge loans at the state level with a roll out early next week. Businesses needs capital now
  - Payment Relief and Forbearance – differed costs including DECD Loans and encouraging other lenders to do this as well. Make prudent decisions and work together with everyone in supply change. Encouraging delayed costs
  - Tax Relief – to help preserve working capital
  - CT Biz Tax – Filing and Payment – June 15<sup>th</sup> extending – allowing more time for return creation and paying.
  - Temporary Regulatory Relief – request of the business community.
  - Relief on Utility Costs – 30 day moratorium electric, gas and water expanded to businesses for cut-off until May 1 – request for further relief and more will follow for announcement
  - FMLA-focused on individual and employee. Two weeks of paid sick leave. 12 weeks of paid sick leave. Still a lot of questions. IRS credit to businesses to pay this. Cash vs. credit is still an issue... and the state is staying focused on.
  - Constant dialogue with federal delegation – more stimulus for small to medium size businesses

#### **Glenn Thames, Deputy Commissioner – Comments on DECD Response**

- DECD commissioned response units to help navigate resources for businesses.
- Inquiries for support and guidance:  
**DECD Hotline: 860.500.2333**  
[Covid19.JIC@ct.gov](mailto:Covid19.JIC@ct.gov)
- Payment Relief and Forbearance – for Small Business Direct and Manufacturing active loans delayed payments for three months. Contact DECD at [covid19.JIC@ct.gov](mailto:covid19.JIC@ct.gov) to ask about relieve on other types of loans. Each will be dealt on an individual basis.
- CT Innovations – offering 60 million in loans and bridge loans within portfolio
- SBA Disaster Loan Funds – DECD is liaison – to help companies navigate some of these issues. Working with SBA to correct certain issues on the platform
- Overwhelmed by responses. Evaluating the responses to help the demand shock. How do we slow down the impact?
- Small Business Bridge Loan Program – Early next week.

#### **Maribell – Questions form those on the Call**

- Unemployment questions – a lot! Will any tax payments be deferred to help with expenses – these will have to be revised.  
 Governor: *Will depend upon what the Feds do.* Extended biz filing but not so much on the deferred yet.
- Is there a one stop shop for resources:  
 DECD: DECD Hotline: 860.500.2333  
[Covid19.jic@ct.gov](mailto:Covid19.jic@ct.gov)
- What is the difference between SBA loans and State Bridge loans. SBL's – very low cost and short term. 12-18 month term until revenues grow – or then taken over by bank or SBA. SBA is much longer term see rates above. SBL Short term vehicle; SBA longer "term" vehicle.

- Is there any thought large landlords to hold off on rent? Governor: In Discussion
- Is there any likelihood of shutting down non-essential business? Governor: *Not at this time but, if you can stay home, stay home. Most important to stay out of groups.*
- Regional approach to business matters? Governor: *Good Question. Trying to work in association to keep a level playing field across state lines. Malls yesterday. Probably barbershops and nail salons today.*
- Waiving interest charges and fees for real estate taxes? Local issue.
- Executive Orders – coming? Governor: *Yes. Everyday things change. Not sure on closures so far....pro-active in getting out of the way.*
- Personal Protective Equipment (PPE) – Governor: *lot of promises from fed and shame on all of us, that we didn't do more earlier to secure. Now at the Local Level (Governor) Sourcing PPE worldwide – no elective surgery including dental. This frees up a lot. We need a bridge until Fed comes through*
- How can business be helpful? Use email to offer up space for whatever the state might need i.e. parking space for temporary structures...whatever. Contact the state at covid19.jic@ct.gov
- What kinds of loans or grants are available?  
Bridge loan program – coming on early week and SBA – see above.
- Could Take-away delivery include alcohol with meals? maybe.
- Governors on the front line pushing the feds.
- Non-profits to be reimbursed from FMLA? Governor: *SHOULD be yes. There is belief they are covered.*
- Considering closing down manufacturing? Governor: *No not at this time. Hygiene most important. Economy to keep going safely. Exempted construction trades – as they are outside etc. Trying to avoid the total shut down. Goal is to not impact all businesses, but public health must be recognized*
- List of essential / non-essential employee definition anywhere? Governor: *No, but if it can be done at home, stay at home.*
- Should we shut down construction jobs – restrict contractors...Governor: *No as long as safe. If their function of their job can't be remote, sensitive to those needs.*
- Bankers: urge to eliminate late fees
- Target date on restaurant ban lifted? Governor: *Not sure. Watch out for second wave. Don't want to say it's over too early.*
- Business to Business communication to help? Use DECD as resource
- Rumors about state total shut down. Governor: *"I really hope not" "at the local level people have responded" "local response has been really good"*
- All resources available to business AND non-profits? YES
- Governor: *Let's do another call for non-profits*
- Governor: *really encourage by quality of response by the state. Business and state government have had complicated relationship. He wants small business to know what exactly is going on. We have some understanding of what you're going through and we're trying to respond. We didn't have a good relationship with the state and hospitals and now we're working together on a daily basis. We have some catching up to do with the hospitals. We're on the same page now. Keep that spirit going we'll get through. I have to give you good information.*