

Federal Economic Stimulus with Rep. John Katko & Rob Simpson

March 27, 2020

Webinar Guidance

1. Viewer microphones will be muted throughout the webinar.
2. Questions may be submitted in the chat box and will be read by the moderator during the Q&A session.
3. We'll make a recording of this webinar available after the call.
4. If you experience any disruptions with the call please sign off and call back in.

CENTERSTATE CEO'S RAPID RESPONSE

Assess

Respond

Mitigate

Recover

ASSESS

200

Survey Responses

1,500

Company Interactions

IMMEDIATE AND MID TERM CONCERN

Overall Concerns

Employees

Cash Flow

Sales /
Revenue
Impacts

Customers

We're also hearing

I'm concerned about making rent / mortgage payments for my business

Moving to remote has had a significant impact on our culture and effectiveness

Nonprofits: Inability to serve clients impacts funding and mission

HOW BUSINESSES ARE IMPACTED

Business Development
Activities
(Travel, Meetings, Conferences)

High Impact

Supply Chain
(Inventory / Raw Materials)

Low Impact

Customer Demand
(Products / Services)

High Impact

Employee Availability

Moderate Impact

Technology

Low Impact

CENTERSTATE CEO'S RAPID RESPONSE

- We've redeployed nearly our entire staff into immediate response and mid-term recovery efforts.
- We're identifying existing and developing new resources in areas of critical need. Including:

Access to Capital	Essential Function Exemptions
Regulation Interpretation	Sourcing Critical Medical Supplies
Displaced Workers	Hiring Needs
Startup Company Needs	Community Needs

CENTERSTATE CEO'S RAPID RESPONSE

- We've facilitated the donation of nearly 10,000 masks from our members. We thank **Hayner Hoyt, Hueber Breuer, PPC, Riccelli Enterprise**, and others for their donations.
- We've coordinated the launch of hand sanitizer production at **Lock 1 Distilling, Old Home Distilling, Waterman's Distillery, Last Shot Distillery, 1911 Distilling, Rapid Cure Technologies**, and **Attis Biofuels**.
- We're working with a number of companies on their ability to manufacture / supply ventilators or ventilator parts.

All inquiries: support@centerstateceo.com

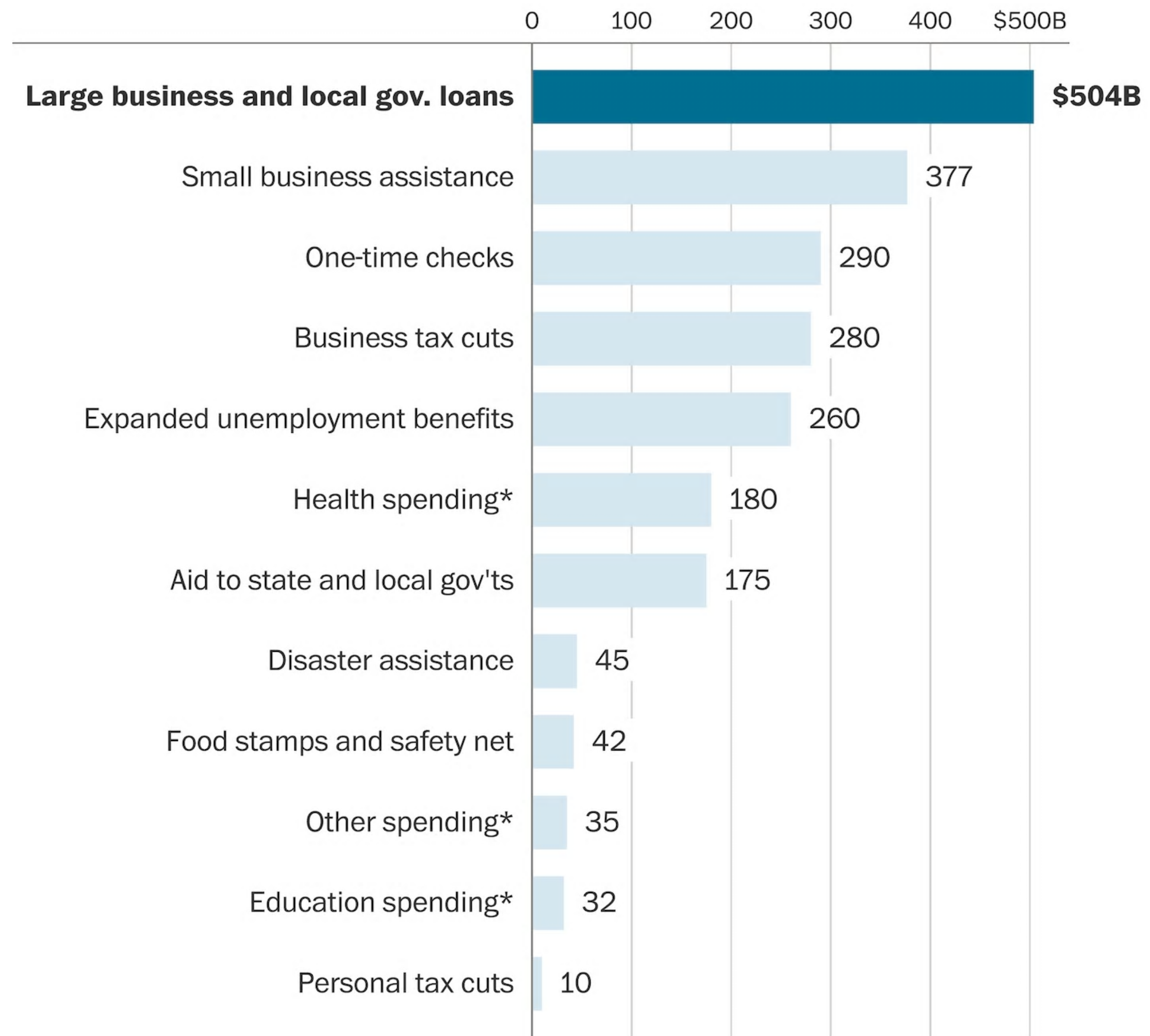
www.centerstateceo.com COVID 19 Business Resources

Federal Stimulus

COMPARISON TO OTHER RELIEF

- 2x size of 2009 Recovery Act.
- More than 2x size of 2008 Wall Street Rescue.
- Three relief bills so far.
 - Bill 1 - \$8.3 billion - Funding for testing and small business loan subsidies
 - Bill 2 - \$100 billion - Increased benefits funding
 - Bill 3 - \$2.2 trillion - Focus of today's conversation
- Expect at least two additional rounds of legislation for additional measures and recovery efforts.

WHAT'S IN THE \$2.2 T BILL



* Minimum figure

Source: Committee for a Responsible Federal Budget

THE WASHINGTON POST

SUPPORT FOR SMALL BUSINESSES

- **Paycheck Protection Program (\$350 billion)**
 - Zero-fee loans for up to \$10 million for payroll – forgiven if businesses retain employees and salary levels.
- **Economic Injury Grants (\$10 billion)**
 - \$10,000 to small businesses and non-profits grants while waiting for paycheck protection program to process.
 - Used for payroll, increased production costs, pay business obligations.
 - Intent is to get this to recipients in 3 days.
- **Debt Relief for Existing SBA Borrowers**
 - Relief to small businesses with SBA 7(a), 504 or microloans.
 - SBA will cover all loan payments for six months.

DIRECT SUPPORT FOR INDIVIDUALS

- **Direct checks to families for economic stimulus**
 - \$1,200 per adult
 - \$500 per child
- **Phases out at individual income of \$75,000 (\$150,000 per couple)**

TAX CUTS FOR BUSINESSES

- **Interest deduction goes from 30% (2017 TCJA) to 50%**
- **Delays payroll taxes on wages**
 - 6.2% tax paid over following two years (half in 2021, half in 2022)
- **Provides for the hospitality industry to immediately write off costs of building improvements**

EXPANDED UNEMPLOYMENT BENEFITS

- **Full paycheck replacement.**
- Extends UI to those unable to work as a result of coronavirus - sick, quarantined, or need to care for children home from school due to closures.
- Also extends unemployment insurance to sole proprietors and freelance workers.
- Federal government will provide additional \$600 on top of existing UI benefit (average \$300 per week) for **four months**.
- **New benefits funded by federal government, not employers.**

EMERGENCY FUNDING FOR HOSPITALS

- **\$100 billion fund for hospitals most impacted by the outbreak (with additional protections for rural hospitals)**
 - Protective gear
 - Testing supplies
 - Emergency operation centers
- **Increases funding**
 - Community Health Centers
 - Medicare payments
 - Telehealth and home service
 - Public health agencies

AID TO AIRLINES

- Airlines would receive \$29 billion in grants, and \$29 billion in loans and loan guarantees.
- Excise tax relief on the price of a ticket, the fuel tax and a cargo tax.
- Half the funds would go toward “the continuation of payment of employee wages, salaries, and benefits” while the other half would go to loans and loan guarantees for passenger airlines, repair stations and ticket agents — subject to conditions.

ADDITIONAL DOLLARS

- **Economic Development Funding**
 - More than \$6.5 billion in Federal funding for CDBG, the Economic Development Administration, and the Manufacturing Extension Partnership
- **State and Local Governments - State Stabilization Fund**
 - \$150 billion for states
 - \$8 billion for localities
- **Distilleries**
 - Temporary exemption from an excise tax for alcohol they use to make hand sanitizer that's produced and distributed within Food and Drug Administration guidelines.

FAQS

- Will new unemployment insurance benefits incentivize currently employed workers to move to unemployment?
- Should I apply for the current SBA Disaster Loans if grants might be available in the future?
- Where can I go to get a Paycheck Protection Program loan?

Q&A

Please type questions into chat box

All inquiries: support@centerstateceo.com

www.centerstateceo.com COVID 19 Business Resources