

April 26, 2020

The Honorable Steve Bullock, Governor of Montana  
Montana Office of the Governor

Dear Governor Bullock:

On behalf of the Montana's small-business community, we are writing to thank you for your leadership in addressing the impact of the COVID-19 pandemic on the State of Montana. We are also writing to ask that your office, and the Economic Relief Task Force, give consideration to the key issues outlined below as you finalize the framework for delivering relief to the Montana community.

While we feel that the federal programs that have been enacted, such as the Payroll Protection Program (PPP), have been useful, we also feel that there are some important lessons to be learned from their implementation, and opportunities to improve, as Montana rolls out its own economic assistance programs. Our thoughts are outlined below.

- **Financial assistance should be based on impact from COVID-19, not banking relationships or political clout.** One of the criticisms many small businesses have with the PPP program is that funds were disbursed to many businesses that experienced little to no impact from the COVID-19 epidemic. We feel it is imperative that public assistance from these funds prioritize those business that are shuttered and those industries that are indirectly impacted, such as tourism, guide services, lodging, etc. We encourage the Governor's office to evaluate applicants on specific considerations such as lost revenue resulting from COVID-19 or increased costs associated with complying with new guidelines needed to comply with COVID-19 policies. We suggest that relief programs look more like business interruption insurance rather than the PPP.
- **Recipients of assistance should be Montana-based businesses that have their headquarters and the majority of their operations in our state.** We feel that out-of-state businesses that may have operations in Montana should not be eligible for funds from these programs. These businesses can utilize federal programs or programs offered in their principal state of business. Funds from these programs should be preserved to help Montana businesses and the Montana labor force. This will ensure that investments remain in our state and benefit our economy.
- **Businesses that receive assistance should have the ability to utilize the funds in a broader manner than was allowed under the PPP.** While PPP provided an important tool to ensure that the US labor force was retained by employers, the needs of small businesses as they work to respond to COVID-19 are broader than just payroll. We recognize restrictions must be placed on how funds are utilized, but we propose a broader set of approved expense categories. Items such as rent, mortgages, facility maintenance, distressed inventory, marketing, etc., should be considered.
- **Dedicate a portion of the funds to assist small businesses to cover property taxes.** Many small businesses will have a challenge in meeting their property tax obligations in 2020. Enabling small businesses to pay property taxes will not only assist the small businesses, it will also ensure that our local cities and counties continue to have sufficient funds to meet their obligations.

- **Distribute funds through our state and local economic development entities.** Organizations such as Big Sky Economic Development and the Missoula Economic Partnership have the organizations to evaluate company financials and understand the needs within the communities. In many cases, particularly in the case of small business, these organizations are uniquely positioned to evaluate applications, disperse funds and manage compliance.
- **Provide immediate need to the smallest of our small business community.** Many of our smallest businesses (less than 10 employees) in Montana do not have the horsepower, banking relationships, etc. to take advantage of the federal and state assistance that is being made available. Further, many of these businesses typically keep 2-3 weeks of cash on hand. For those smaller businesses that are being impacted, we suggest a onetime, \$2,000 payment to help them through these troubled times and will provide the needed fast capital to reopen and invest in some of the requirements imposed by local health officials. We recommend this payment go to those smaller business immediately, with the only requirement is that they were shuttered for a period of time.

The small business community greatly appreciates the efforts taken by the Governor and this committee. Sincerely, on behalf of small business across the State of Montana,

Charlie Beaton, Big Dipper Ice Cream  
Shalon Hastings, Fly FisHer Adventures  
Jim Markel, Red OXX  
Scott Brown, The Base Camp  
Nick Checota, Top Hat Lounge, Logjam Presents



April 23, 2020

Governor Steve Bullock  
State Capitol, Room 204  
PO Box 200801  
Helena, MT 59620-0801

Re: Coronavirus Relief Fund and Policy Recommendations

Dear Governor Bullock,

Thank you for the opportunity to provide input to you and your Coronavirus Relief Fund Task Force as you determine how Montana can slow the spread of COVID-19 and protect access to quality, affordable health care for Montanans. The American Cancer Society Cancer Action Network (ACS CAN) empowers advocates across the country to make their voices heard and influence evidence-based public policy change, as well as legislative and regulatory solutions that will reduce the cancer burden.

We thank you and your team for your leadership proactively preempting this pandemic. Continued decisive action is needed to further slow the spread of COVID-19, particularly among vulnerable populations, and begin to prepare for the future. People with pre-existing conditions like cancer are at increased risk of infection and adverse health outcomes. Those not getting their basic needs met such as housing, food and shelter are at even greater risk of poor outcomes. We thank you for the executive orders and directives aimed at meeting countless Montanans basic, yet critical needs. Addressing these issues and many other social determinants of health is essential in the fight against cancer.

The following is not a full list of recommendations from ACS CAN, but it highlights provisions most relevant to our cancer mission. Specifically, we ask that you take swift action to ensure that: **access to life-saving cancer treatments is preserved; access to comprehensive health insurance coverage, including Medicaid is maintained; relief to nonprofit organizations is provided; and budget shortfalls are addressed through tax increases before making significant programmatic funding cuts.**

Prioritize preventing and slowing the spread of COVID-19

Require all state-regulated insurance plans to cover diagnostic testing related to COVID-19, deemed necessary by a medical professional, without cost sharing. Due to the lack of consistently available testing, this must also include coverage of out-of-network laboratory testing. In this emergency, we cannot allow affordability of testing and associated care to become a barrier that prevents people from taking appropriate action if they show symptoms.

Streamline and remove barriers to Medicaid eligibility. Utilize the state's regulatory flexibilities to expand access to eligible individuals. Extend free coverage of COVID-19 testing and related diagnostic services to all newly uninsured Montanans. The federal government will provide Montana 100% FMAP for the cost of these services.

Halt work requirements for the expanded Medicaid population. These efforts will aid those who may be unable to work given economic conditions from losing access to their medical assistance coverage and remove an incentive for workers to go to work while sick. We urge you to consider extending these

protections for as long as possible for people with serious illnesses, especially those with complications related to COVID-19.

Ensure access to care, sufficient, supplies of essential medications and medical products

Lift restrictions on how often a patient can refill prescriptions and allow for a 90-day fill of medications during the COVID-19 pandemic. Limitations on refills can require frequent trips to a physical pharmacy location, needlessly putting patients at risk of COVID-19 exposure while attempting to pick up their supplies. This proposal will allow patients to secure an appropriate amount of backup supplies of essential medications and medical products as recommended by the CDC.

Protect patients from surprise bills

Prohibit surprise bills from out-of-network providers for laboratory testing as well as treatment for COVID-19. This financial protection should include all providers, settings, and insurance types to ensure that everyone who needs testing and treatment is able to receive timely and affordable care. Fear of surprise bills should not keep patients and consumers away from care during this critical time.

Accessible and affordable COVID-19 treatment and vaccine

We have serious concerns about the financial risk consumers may face if they are diagnosed with COVID-19. We urge you to require health plans to provide affordable coverage for treatment related to a COVID-19 diagnosis. This should include first dollar coverage of COVID-19 treatment before the deductible is met, including off-formulary medications and out-of-network providers when necessary. As treatment protocols for COVID-19 patients evolve, formularies may not evolve as fast and it is critical that patients be held harmless in this process. When a vaccine becomes available, coverage must be provided with no cost-sharing.

Accessible and affordable oral chemotherapy

Ensure that cancer patients who are medically able can have affordable access to oral medications to treat their cancer. Cancer patients are having difficulty keeping their chemotherapy appointments because of transportation issues, fear of being in public, protective equipment supply problems or concerns about exposure to the virus – and some may be able to switch to oral chemotherapy to alleviate these problems.

Relief for nonprofit organizations

Nonprofits employ 11.2% of all workers in Montana and are essential to managing, mitigating, and helping people and communities recover from this historic upheaval. Please include provisions in this package that will provide economic relief to nonprofit organizations that employ workers and provide services in Montana. This includes making the federal funds available according to Section 2103 of the CARES Act to reimburse certain local governments and charities for half of the costs that the employers incur through December 31, 2020 to pay unemployment benefits. Most nonprofits are facing challenging circumstances and relief will help ensure charities, including some of the largest and most relied upon, are able to provide necessary services critical to Montanans weathering and recovering from this crisis. Cancer patients, survivors and their families are counting on this action.

Save Lives Save Money Raise Revenue

Include in your final biennial budget proposal a cigarette increase of \$1.50 per pack or more with equivalent taxes on all other tobacco products, including e-cigarettes. Taxation of all tobacco products are reliable sources of substantial new revenue while also reducing tobacco use and tobacco-related disease and costs associated with both. Increasing the cigarette tax by \$1.50 per pack would prevent

3,700 kids from becoming adults who smoke, save 2,600 lives, and generate \$28.12 in new annual revenue for the state. Increasing the tax on all other tobacco products, including e-cigarettes, at the same time would produce additional health and economic benefits for the state.

Dedicate a portion of the new revenue to increase the state's investment in the Montana Tobacco Use Prevention Program. At this critical moment, we must do everything in our power to keep our communities healthy and safe-which means building strong public health infrastructure including comprehensive tobacco control measures. While there isn't yet direct evidence that quitting can help people avoid more serious outcomes if they get COVID-19, we do know that there are health benefits that occur quickly after quitting smoking, including rapid improvements in blood carbon monoxide levels and in respiratory function, as well as slower improvements over time in immune function. These improvements could potentially mean better health outcomes related to COVID-19.

Thank you for your efforts to protect vulnerable Montanans. We stand ready to work with you on these important policies. If you have questions or would like to discuss further, please contact me at [kristin.page.nei@cancer.org](mailto:kristin.page.nei@cancer.org) or 406.360.86752.

Sincerely,

A handwritten signature in black ink that reads "Kristin Page-Nei". The signature is written in a cursive, flowing style.

Kristin Page-Nei  
Montana Government Relations Director

**Sassano, Amy**

---

**From:** GOV CRF  
**Subject:** FW: Please see attached letter for Gov Bullock and COVID Response TaskForce  
**Attachments:** Coronavirus-and-Your-Heart-Dont-Ignore-Heart-Symptoms.pdf; The New Pandemic Threat\_ People May Die Because They're Not Calling 911 - American College of Cardiology.pdf

THANKS to all for everything that you are doing on behalf of our citizenry....  
Dr. Eisenhauer

-----

April 27, 2020



Montana  
CHAPTER

Governor Steve Bullock  
Office of the Governor  
PO Box 200801  
Helena, MT 59620-0801

Re: Delays in care for cardiovascular patients during the COVID-19 pandemic

Dear Governor Bullock,

The Montana Chapter of the American College of Cardiology represents over 65 cardiologists, cardiac surgeons, and allied professionals throughout the State of Montana. Our parent organization, the American College of Cardiology (ACC), represents 54,000 cardiovascular professionals throughout the world.

We understand that the supply of available personal protective equipment and antigen/antibody tests remain as critically important issues that your office is working on so diligently. We would like to extend our sincerest appreciation for these efforts.

Our members have become increasingly concerned about reports of markedly reduced numbers of visits to emergency departments, hospitals and ambulatory sites for urgent cardiovascular conditions (such as heart attack, congestive heart failure, arrhythmias and stroke) since the COVID-19 pandemic arrived in our State. Reductions of 30-50% from expected have been widely reported.<sup>1</sup> Concern has been raised that heart attack and stroke victims may fear seeking care out of an unfounded concern that doctors and hospitals are "overwhelmed" and/or that health care facilities are "unsafe" due to the risk of viral transmission. Such unwarranted fears may lead to delayed care and poor patient outcomes up to and

including death. On April 25, the New York Times published a front-page article highlighting this problem's national scope, with several documented examples of patient harm.<sup>2</sup>

Unfortunately, we can confirm that the same observations are being made in Montana.

The ACC has launched a campaign to help educate the public about the importance of seeking care for urgent cardiovascular symptoms.<sup>3</sup> A copy of the campaign infographic is enclosed. Leaders of the major American cardiology societies have also issued a recent press release on this topic (also enclosed).<sup>4</sup>

We would appreciate any assistance that your office could provide, whether at your regular press briefing or other venues/media, to amplify this critically important public health message. Our members are ready, willing and able to take care of patients with serious cardiovascular conditions. We believe that our health care facilities in Montana are safely able to deliver all needed care for patients with all conditions. Aggressive forms of heart disease simply cannot be allowed to fester during this pandemic.

In addition, many of our members have expressed concern that long delays in "elective" cardiac tests and procedures will inevitably cause patient harm. Many cardiac tests and procedures are time-sensitive, including heart catheterization, pacemaker/ICD implantation, and valve replacement. Delays of up to six weeks have already occurred. Adding further delays will increase the backlog, and thereby also increase the possibility of patients being "lost". The costs of untreated disease progression are enormous not only in terms of direct healthcare costs, but also in terms of increased victim morbidity and mortality.

We respectfully suggest that the State purposefully encourage the resumption of more time-sensitive "elective" procedures including many cardiac procedures, contingent on facilities having adequate capabilities and PPE to provide such care.

We sincerely thank the Governor for all that you and your office have done to lead our State through the COVID-19 pandemic. If you or your staff have any questions about these issues or if we can be of better assistance to your offices, please contact me direct at 406.455.4319 or [michaeleisenhauer@benefis.org](mailto:michaeleisenhauer@benefis.org).

Sincerely,



**Michael D. Eisenhauer, MD, MBA, FACC, FSCAI, FACHE**

Medical Director, Cardiac Catheterization Laboratories  
Cardiology and Vascular Medicine, Benefis Healthcare System  
Governor, American College of Cardiology-Montana Chapter



## References

1. Garcia S, Albaghdadi MS, Meraj PM, et al. Reduction in ST-Segment Elevation Cardiac Catheterization Laboratory Activations in the United States during COVID-19 Pandemic. J Am Coll Cardiol. 2020 Apr 9. pii: S0735-1097(20)34913-5. doi: 10.1016/j.jacc.2020.04.011.  
<http://www.onlinejacc.org/content/accj/early/2020/04/07/j.jacc.2020.04.011.full.pdf?download=true> [[onlinejacc.org](http://www.onlinejacc.org)]
2. Gina Kolata, Amid the coronavirus crisis, heart and stroke patients go missing. The New York Times, April 25, 2020. <https://www.nytimes.com/2020/04/25/health/coronavirus-heart-stroke.html> [[nytimes.com](http://www.nytimes.com)]
3. <https://www.cardiosmart.org/coronavirus/content/do-not-ignore-heart-symptoms> [[cardiosmart.org](http://www.cardiosmart.org)]
4. <https://www.acc.org/latest-in-cardiology/articles/2020/04/22/13/36/the-new-pandemic-threat-people-may-die-because-theyre-not-calling-911-coronavirus-disease-2019-covid-19> [[acc.org](http://www.acc.org)]



AMERICAN  
COLLEGE of  
CARDIOLOGY

# The New Pandemic Threat: People May Die Because They're Not Calling 911

Apr 22, 2020

## Perspectives

Reports from the front lines of hospitals indicate a marked drop in the number of heart attacks and strokes nationally. But, COVID-19 is definitely not stopping people from having heart attacks, strokes and cardiac arrests. We fear it is stopping people from going to the hospital and that can be devastating.

You might think a hospital is the last place you should go now. That's why we – the leaders of major national organizations dedicated to saving people from heart disease and stroke – feel it's necessary to say this loud and clear:

Calling 911 immediately is still your best chance of surviving or saving a life.

*It is SAFE for EVERYONE to call 911.*

*It is SAFE for ANYONE to go to the hospital.*

Because some racial/ethnic groups, such as African Americans, are more likely to die from their heart attack and stroke, it is imperative that nothing gets in the way of anyone seeking help if they are experiencing symptoms.

We felt the need to make this declaration to clear up what may become an alarming trend.



American  
Heart  
Association®



AMERICAN  
COLLEGE of  
CARDIOLOGY

ABC

Association of Black Cardiologists, Inc.  
*Saving the Hearts and Minds of a Diverse America*



HEART FAILURE SOCIETY OF AMERICA



Heart  
Rhythm  
Society<sup>SM</sup>



AMERICAN ACADEMY OF  
NEUROLOGY

The number of heart attacks and strokes are not necessarily declining. While ongoing research may uncover other underlying reasons for decreasing numbers of heart attack and stroke patients in hospitals, the prevailing theory is that people just aren't calling 911.



From dispatchers to first responders, the emergency response system is trained to help you safely and quickly, even during a pandemic.

Hospitals are following protocols to sanitize, socially distance and keep infected people away from others. In fact, many now have separate emergency rooms, operating rooms, cardiac catheterization rooms and ICUs for people with COVID-19, and for people without.

Although COVID-19 is certainly our most immediate threat, we must remember the ever-lurking dangers of heart disease and stroke – which, year in and year out, are the top two killers worldwide. Approximately every 40 seconds someone in the U.S. will have a heart attack and someone else will have a stroke.

More than 350,000 out-of-hospital cardiac arrests occur in the U.S. annually.

People at higher risk of a stroke or cardiac event should contact their providers for a telehealth visit to ensure they are managing their risk factors, such as blood pressure, and taking other precautions.

If you or a loved one experiences heart attack warning signs – chest discomfort; discomfort in other areas of the body such as your arms, back, neck, jaw or stomach; shortness of breath; and other possible signs: breaking out in a cold sweat, nausea or lightheadedness – call 911.

If you have stroke symptoms, which can be remembered with the acronym *FAST* (**F**ace drooping, **A**rm weakness, **S**peech slurring or other difficulty), then it's **T**ime to call 911.

The bottom line is the same as it's always been. When a medical emergency strikes, call 911. Get to a hospital.

Signed,

**Robert A. Harrington, MD, FAHA**

President, American Heart Association

**Athena Poppas, MD FACC**

President, American College of Cardiology

**Michelle Albert, MD, MPH**

President, Association of Black Cardiologists

**Biykem Bozkurt, MD, PhD, FACC, FAHA, FHFA**

President, Heart Failure Society

**Andrea M. Russo, MD, FHRS**

President, Heart Rhythm Society

**James C. Stevens, MD, FAAN**

President, American Academy of Neurology

**Ehtisham Mahmud, MD, FSCAI**

President, Society for Cardiovascular Angiography and Interventions

**William Jaquis, MD, FACEP**

President, American College of Emergency Physicians

Share via:     

**Clinical Topics:** [Acute Coronary Syndromes](#), [Anticoagulation Management](#), [Arrhythmias and Clinical EP](#), [Cardiac Surgery](#), [Congenital Heart Disease and Pediatric Cardiology](#), [Diabetes and Cardiometabolic Disease](#), [Dyslipidemia](#), [Geriatric Cardiology](#), [Heart Failure and Cardiomyopathies](#), [Invasive Cardiovascular Angiography and Intervention](#), [Noninvasive Imaging](#), [Pericardial Disease](#), [Prevention](#), [Pulmonary Hypertension and Venous Thromboembolism](#), [Sports and Exercise Cardiology](#), [Stable Ischemic Heart Disease](#), [Valvular Heart Disease](#), [Vascular Medicine](#), [Anticoagulation Management and ACS](#), [Implantable Devices](#), [SCD/Ventricular Arrhythmias](#), [Atrial Fibrillation/Supraventricular Arrhythmias](#), [Cardiac Surgery and Arrhythmias](#), [Cardiac Surgery and CHD and Pediatrics](#), [Cardiac Surgery and Heart Failure](#), [Cardiac Surgery and SIHD](#), [Cardiac Surgery and VHD](#), [Congenital Heart Disease](#), [CHD and Pediatrics and Arrhythmias](#), [CHD and Pediatrics and Imaging](#), [CHD and Pediatrics and Interventions](#), [CHD and Pediatrics and Prevention](#), [Acute Heart Failure](#), [Pulmonary Hypertension](#), [Interventions and ACS](#), [Interventions and Imaging](#), [Interventions and Structural Heart Disease](#), [Interventions and Vascular Medicine](#), [Angiography](#), [Nuclear Imaging](#), [Sleep Apnea](#), [Sports and Exercise and Congenital Heart Disease and Pediatric Cardiology](#), [Sports and Exercise and ECG and Stress Testing](#), [Sports and Exercise and Imaging](#), [Chronic Angina](#)

**Keywords:** *Coronavirus, COVID-19, Coronavirus Infections, American Heart Association, severe acute respiratory syndrome coronavirus 2, Out-of-Hospital Cardiac Arrest, Acute Coronary Syndrome, Anticoagulants, Arrhythmias, Cardiac, Cardiac Surgical Procedures, Metabolic Syndrome X, Angina, Stable, Heart Defects, Congenital, Dyslipidemias, Geriatrics, Heart Failure, Angiography, Diagnostic Imaging, Pericarditis, Secondary Prevention, Hypertension, Pulmonary, Sleep Apnea Syndromes, Sports, Angina, Stable, Exercise Test, Heart Valve Diseases, Aneurysm*

---

© 2020 American College of Cardiology Foundation. All rights reserved.

# CORONAVIRUS AND YOUR HEART

Most of us are worried about the new coronavirus.  
**DON'T IGNORE HEART SYMPTOMS,  
ESPECIALLY IF YOU HAVE A HEART CONDITION.**



**GETTING CARE IS CRITICAL** →

You'll get better faster.  
You'll limit damage to your health.

## HEART ATTACK

- Chest pain
- Difficulty breathing
- Discomfort in chest, arms, back, neck, shoulder or jaw

## STROKE

- Numbness, weakness or loss of movement in your face, leg or arm, especially on one side
- Confusion, trouble speaking or understanding
- Loss of balance

## CALL 911

If you think you are having  
a **HEART ATTACK** or **STROKE**.

Heart attacks and strokes don't stop  
during a pandemic.

**Hospitals have safety measures  
to protect you from infection.**

**CALL YOUR DOCTOR** if you have a heart condition  
and have questions or think you need a health visit.

**DON'T DELAY** routine care. You may be able to get advice  
over the telephone or use telehealth for a virtual visit.



For more information about the new coronavirus for people with heart conditions,  
visit [CardioSmart.org/Coronavirus](https://www.cardiosmart.org/Coronavirus)

 @CardioSmart

## From Arts/culture nonprofits to the Governor's Covid-19 relief Task Force

### Case statement

Studies show the arts are the most efficient economic energizers of neighborhoods/towns—whether after a disaster or in a growth period. Arts activities poured **\$1.4 billion** into the Montana economy in 2016 (Americans for the Arts) and generated \$9 in additional economic activity—beyond ticket prices—for every \$1 invested. This money supports restaurants/bars, brew pubs, hotels, local shops, gas stations, babysitters, and other small businesses across Montana.

Every \$1 investment in the arts stimulates \$9 more into the local economy.

Arts generate tourism/visitation across Montana, from Virginia City to Glasgow. Cultural tourism drives about **34% of visitors' decisions** about where to go in Montana (MT Arts Council).

**The arts are the healing forces** in society—in communities, in mental health, in economic recovery, in overall well-being. How are we all surviving Shelter-In-Place? Through movies, books, music, dancing, singing, watching theater, and creating imitations of great art. Art is how we heal. How we come together, and rebuild our communities, **economically and socially**.

Arts organizations rely on gathering large groups together for concerts, movies, and events. Most are planned months, sometimes years, in advance. When we break even, it's usually on the last 10% of tickets sold. In a Covid-19 world, **our business model turns upside down**. We will now have to look at small-group-only events, knowing even they might be canceled. Yet our expenses—artist fees, staffing, custodial work, rent/mortgages, debt payments, and insurance, remain the same or in some cases increase.

To reap the **powerful benefits of the arts in rebuilding Montana's economy**, we will have to invest in our arts organizations.

### Before we start up again, we need state guidance on:

1. How many people can we serve at one time?
2. How can we ensure sanitation/safety of facility for customers?
3. How can we hire staff back when our business model is cut by 40-60%?
4. For small unstaffed theaters, how can they pay rent/mortgage when their business model is cut 40-60%?

### What would startup require:

1. Guidelines for occupancy (# of people allowed to gather) under different scenarios
  - Small family groups + 4
  - Small family groups + 10
  - Groups of 50-100
  - Groups of 100 or more
2. Sanitation guidelines we can comply with, to reassure our audiences that it's safe to gather here.

3. Regulations that actually apply to our operations. Theaters have all day to clean/sanitize to prepare for groups who arrive at set times. This is easier to keep sanitized than restaurants/pubs that get business coming & going throughout the day.
4. Access to Corvid-19 tests for our staff.

**Financial assistance needed: Bridge funding to adapt while audiences are tiny**

1. Costs for staffing, presenting, and sanitizing spaces will increase. We would need funds to offset our drop in earned income and still support staff, mortgage/rent, production expenses, and other ongoing costs.
2. Help investing in new cleaning/sanitation equipment and supplies.
3. Support for providing masks/gloves for patrons if required or recommended by the state.

**How, and how much:**

1. Arts presenters (who rely on group events) may need funding up to 40% of each org's annual operating budget to keep operating through June 2021.
2. Culture organizations without group events may need 5-10% of budget to help with sanitation, staffing, and other costs.
3. Distribution—perhaps **quarterly**, allowing for flexibility and change—through Montana Arts Council/Humanities Montana makes sense, because most of us have relationships with those entities. Those agencies would require support to administer funds, manage applications, and vet organizations new to them.

**Thank you,  
Krys Holmes  
Montana Nonprofit Rapid-Response Team  
The Myrna Loy  
Helena MT**

**Sassano, Amy**

---

**From:** John Herzer <john@blackfootriver.com>  
**Sent:** Tuesday, April 21, 2020 2:43 PM  
**To:** GOV CRF  
**Cc:** Schmidt, Rachel; smith\_works@tester.senate.gov  
**Subject:** [EXTERNAL] Outfitting Industry Needs Your Support on the task force

Members of Governor Bullock's Coronavirus Relief Fund Task Force:

We are sure you all are feeling the pressure of your appointed positions right now. Some of you are actually realizing the true impacts of the pandemic crisis first hand through your businesses and personal financial situation. Others on the committee less so. No matter where you are personally, know that those in the travel and outdoor industry are truly suffering. Outfitters and our guide staff in particular were hit early and hard. Few Outfitters have received any federal aid and most guides work as Independent Contractors and still are unable to even get their applications processed. The outfitting industry and the shops they support need your unwavering support when deciding who gets help. As not a single outfitter sits on this group, we are genuinely concerned that we'll be forgotten and swept aside. Please do not let this happen. We are the backbone of our Montana's travel economy!

Below find a letter we sent yesterday to the governor and yourselves detailing our plight.  
Thanks for your consideration  
John Herzer and Terri Raugland

April 20, 2020  
Coronavirus Relief Fund distribution recommendations.  
From: Blackfoot River Outfitters

Attn: Governor Bullock and Coronavirus Relief Fund Task Force (CRFTF) Members

Dear Governor Bullock,

First, we thank you for the swift and proper directives and guidelines aimed at minimizing the spread of Covid-19 in Montana. We are convinced that without your solid leadership the numbers of those infected and dying from the pandemic would be far higher. On a personal note, you may remember us from a couple meetings and interactions, we are the "fishing folks from Missoula" whom gave you the mug that you may not want to bring to the meetings discussing Coronavirus.

Though we agree with your vision and have followed the pandemic directives, our business and all similar outdoor operations across the state have suffered greatly. We own and operate two fly fishing specialty retail stores (in Missoula and Philipsburg) in addition to guiding thousands of anglers annually, now for 30 years in Montana. You could say our businesses are driven by the travel industry, but we would argue that the *travel industry is driven by us*. We are a classic Montana family-owned small business that makes an inordinately large economic impact on the state.

We were sorely disappointed to notice that in spite of the state and your office continually touting the \$7.2 billion annual economic boost from outdoor recreation, not one Montana outfitter sits on the CRFTF. How could this oversight happen? What's more, just a glance at the University of Montana's

ITRR economic studies prove that those travelers coming to Montana for guided trips far outspend their non-guided counterparts. Our hard work and advertising dollars over the years have driven billions of traveler dollars into the hands of diverse businesses. Through outfitting businesses like ours, airlines, hotels, VRBO owners, restaurants, grocery stores, gas stations, retail establishments, and many more financially benefit directly from our clientele.

Ultimately, if we don't have any representation on the CRFTF we hope that will not be forgotten when decisions are made for who is deserving of relief funding. Presently, we along with most other similar businesses, have applied for and received Federal PPP funds. This helps with paying our full-time employees but only runs for eight weeks and does nothing for our Independent Contractor guide staff. Also, it does nothing to help our *business*. We still have to pay a rent, mortgage, utilities, and costs of inventory that would be selling right now. We've also applied for Federal EIDL loans. Though we have not heard anything other than a confirmation that we've applied, we are not even sure we want to accept this loan. Two problems with it: the \$10,000 advance that was supposed to be forgivable quickly diminish to \$1,000 per employee and more importantly, the 3.75% is anything *but* a disaster loan rate. The last thing we need to do is incur more debt stemming from not poor business management but rather a pandemic that has devastated our revenue sources. In order for our businesses to survive we need legitimate financial relief; this is where the state of Montana and CRFTF can help.

We propose the CRFTF consider earmarking a portion of Montana's CARES funding directly toward those businesses involved in the outdoor industry and outfitting/guide services in particular. This aid could come from any variety of forms: grants, forgivable loans or even super low interest loans with long range due dates. Any relief funding should be tied to proof that the money was actually spent to shore up a business. Examples of how funds should be used include refunded deposits, rents and mortgages of business operations, inventory, and even advertising expenses to attract our clients back to Montana. Applicants should prove losses by reverting to the previous year's income and expenditures and/or documenting this year's trip cancelations and payables. Using the feds PPP as a template, fraudulent applicant activity could easily be detected.

We understand this is a superficial description of how the outdoor industry should receive funding but feel time is of the essence for getting this to Governor Bullock and the CRFTF. If there is room for one more individual on the task force please consider one of our industry leaders. Barring that, know that we are personally willing to spend the time necessary to explain further or discuss options either by phone or online meeting. (contact [john@blackfootriver.com](mailto:john@blackfootriver.com) 406-546-7039, [Terri@blackfootriver.com](mailto:Terri@blackfootriver.com) 406-546-7040). We would be devastated if our 30 years of hard work was erased by a virus.

This is important to us.

Thank you for your consideration,  
John Herzer and Terri Raugland  
Owners/Operators  
Blackfoot River Outfitters and Flint Creek Outdoors

--  
John Herzer

Blackfoot River Outfitters, Inc.  
3055 North Reserve Street  
Missoula, MT 59808

Phone: 406-542-7411

[www.blackfootriver.com](http://www.blackfootriver.com) [[blackfootriver.com](http://blackfootriver.com)]

**Sassano, Amy**

---

**From:** Charlie Beaton <charliebeaton@me.com>  
**Sent:** Thursday, April 23, 2020 2:17 PM  
**To:** GOV CRF  
**Subject:** [EXTERNAL] idea/strategy

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Please review potential strategies formed my members of the Blackstone Launchpad at University of Montana. I've been associated with Blackstone for several years now as a new business mentor and speaker at many events. Blackstone Launchpad has created several strategy/ideas that could be implemented immediately and greatly aid small businesses as well as women and minorities greatly affected by Covid-19.  
 Thank you!

Charlie Beaton  
 Big Dipper Ice Cream  
 631 S. Higgins Ave.  
 Missoula MT 59801  
 c. 406.544.5963  
[bigdippericecream.com](http://bigdippericecream.com) [[bigdippericecream.com](http://bigdippericecream.com)]

STRATEGY PROPOSAL 1 (Comprehensive Accelerator and grants)

Name of Idea/Strategy: Micro & Small Business Reboot Program (MT's new and improved PPP)		Answer Y/N			
<b>Brief Description of Idea:</b>	Rapid development and deployment of an online, covid-19 innovation "re-bootcamp" training that takes business owners or aspiring entrepreneurs through an innovation mindset, lean-startup, business model canvas curriculum take a post-pandemic/new world online business training using lean startup methodology and customer discovery (~20hrs?). Upon completion of the training, business can apply for a grant (allocating \$50m in grants to businesses which could be 1000 grants of \$50,000 or 5,000 grants of \$10,000). Criteria for grants: business model innovation, targeting non-Montana markets. -75%(suggested) of funds to existing businesses  -25%(suggested) of funds to new startups  We recommend dedicated grant funds to women-owned and	<b>Currently Subject to Closure?</b>	<b>Montana Based Business?</b>	<b>Main Street or other Prominent Location?</b>	<b>Assistance Available Elsewhere?</b>

	<p>indigenous businesses and entrepreneurs consistent with existing population demographics (not current business ownership).</p> <p>Business would also be eligible for a Revenue-based financing option (revolving loan fund, but rather than interest, businesses pay back when they hit predetermined revenue targets).</p>				
<b>Types of Industries/Businesses This will Assist</b>	Self-employed to small businesses (20 or fewer employees)- especially those who were unable to get PPP & EIDL	Yes	Yes	Yes & No	Yes kind of (PPP, EIDL)
<b>Specific Need(s) for Support</b>	Grant funds/manage, online content creation, instruction and management, software.				
<b>Estimated Resources Required (Total Or Per Entity)</b>	<p>- \$50 Million for grant funding</p> <p>- \$50 Million for revenue-based financing fund</p> <p>-\$100k to develop online content.</p> <p>-\$50k for software (Credly, Mighty Networks)</p> <p>-\$1m for instructors and management</p> <p><b>Total: \$101.15m</b></p>				
<b>Desired Timing of Funds (and recurrence, if applicable)</b>	Rolled out from June 1 <sup>st</sup> and could continue for 24 months, then we would have to explore monetizing the trainings.				

STRATEGY PROPOSAL 2-5 (Unbundled Version of Proposal 1)

STRATEGY PROPOSAL 2

Name of Idea/Strategy: Montana Micro & Small Business Grants		Answer Y/N			
<b>Brief Description of Idea:</b>	<p>Upon completion of a training (see proposal 3&amp;4), business can apply for a grant (allocating \$50m in grants to businesses which could be 1000 grants of \$50,000 or 5,000 grants of \$10,000). Criteria for grants: business model innovation, targeting non-Montana markets.</p> <p>-75%(suggested) of funds to existing businesses</p> <p>-25%(suggested) of funds to new startups</p>	<b>Currently Subject to Closure?</b>	<b>Montana Based Business?</b>	<b>Main Street or other Prominent Location?</b>	<b>Assistance Available Elsewhere?</b>

	We recommend dedicated grant funds to women-owned and indigenous businesses and entrepreneurs consistent with existing population demographics (not current business ownership).				
<b>Types of Industries/Businesses This will Assist</b>	Self-employed to small businesses (20 or fewer employees)- especially those who were unable to get PPP & EIDL.	Yes	Yes	Yes & No	Yes kind of (PPP, EIDL)
<b>Specific Need(s) for Support</b>	Grant funds and administration expenses.				
<b>Estimated Resources Required (Total Or Per Entity)</b>	- \$50 Million for grant funding -\$250k managing grants. <b>Total: \$1.25m</b>				
<b>Desired Timing of Funds (and recurrence, if applicable)</b>	Mid-May-June 1 Roll out.				

STRATEGY 3

Name of Idea/Strategy: Online women's business and leadership courses & virtual community development for the post-pandemic future in business		Answer Y/N			
		Currently Subject to Closure?	Montana Based Business?	Main Street or other Prominent Location?	Assistance Available Elsewhere?
<b>Brief Description of Idea:</b>	Womens, post-pandemic future online course for fast pivots/adaptations to the new world and new consumer norms. Lean business module tools to help re-align businesses to new customer needs and market. Leadership techniques for managing virtual teams and projects. Going online: virtual sales, marketing, services, and experiences.				
<b>Types of Industries/Businesses This will Assist</b>	Women small business owners, female founders/entrepreneurs/solopreneurs, business sectors that have been fundamentally changed, women in leadership roles or who want to be in leadership roles.	Yes	Yes (Only)	Yes & No	No other online curriculum options for COVID19, mostly individual coaching in person.  No virtual communities or cohorts: there is real opportunity for this!  Yes to women's programs (but they are largely
<b>Specific Need(s) for Support</b>	To support women, will require funds for online content creation, instructors, and project manager				
<b>Estimated Resources Required (Total Or Per Entity)</b>	Online Content Creation- \$50k  Online Software (Mighty Networks or Something similar)- \$5k  Personnel (managers/instructors): \$500k Total: \$555k				

<b>Desired Timing of Funds (and recurrence, if applicable)</b>	Start in mid-May and can run for 18 months at no charge (and adapt curriculum throughout as we learn more).				localized/community-centered).
--	---	--	--	--	--------------------------------

STRATEGY PROPOSAL 4

<b>Name of Idea/Strategy: Montana Micro &amp; Small Business Accelerator</b>		<b>Answer Y/N</b>			
<b>Brief Description of Idea:</b>	Rapid development and deployment of an online, covid-19 innovation “re-bootcamp” training that takes business owners or aspiring entrepreneurs through an innovation mindset, lean-startup, business model canvas curriculum take a post-pandemic/new world online business training using lean startup methodology and customer discovery (~20hrs?)	<b>Currently Subject to Closure?</b>	<b>Montana Based Business?</b>	<b>Main Street or other Prominent Location?</b>	<b>Assistance Available Elsewhere?</b>
<b>Types of Industries/Businesses This will Assist</b>	Self-employed to small businesses looking to create innovation in their industry.	Yes	Yes	Yes & No	Yes kind of (PPP, EIDL)
<b>Specific Need(s) for Support</b>	Online content creation, instruction and management, software.				
<b>Estimated Resources Required (Total Or Per Entity)</b>	- \$100k to develop online content.  - \$50k for software (Credly, Mighty Networks)  - \$550k for instructors and management <b>Total: \$1.7m</b>				
<b>Desired Timing of Funds (and recurrence, if applicable)</b>	Mid-May rollout and run for 18 months at no charge (with curriculum adaptations along the way).				

Strategy Proposal 5

<b>Name of Idea/Strategy: Revenue Based Financing</b>		<b>Answer Y/N</b>			
<b>Brief Description of Idea:</b>	Organization provides funds to entrepreneurs that are repaid to that funding organization as a percentage of the business’ revenue subject to certain thresholds. Rapidly gaining traction in the startup funding world and “everybody” wins scenario.	<b>Currently Subject to Closure?</b>	<b>Montana Based Business?</b>	<b>Main Street or other Prominent Location?</b>	<b>Assistance Available Elsewhere?</b>
<b>Types of Industries/Businesses This will Assist</b>	The 86% of businesses that are not a good fit for collateral based bank lending or high growth venture funding.	Yes	Yes	Yes (and No)	No Revenue Based

<b>Specific Need(s) for Support</b>	Revolving loan funds plus funding oversight and administration.				Financing in the state, only revolving loan funds.
<b>Estimated Resources Required (Total Or Per Entity)</b>	\$50m for financing funds + \$1.5m administration/management  Total- \$51.5m				
<b>Desired Timing of Funds (and recurrence, if applicable)</b>	9.1.20 start date and sustainable over many years as a revolving fund.				

STRATEGY PROPOSAL 6

<b>Name of Idea/Strategy: Professional Training Income Sharing Program</b>		<b>Answer Y/N</b>			
<b>Brief Description of Idea:</b>	Establish a state wide fund that will support individuals re-training costs in the near term making the training free or very low cost for the industry and individual. Repayment to the fund will come when certain salary benchmarks are reached by the individual once recovery has occurred.	<b>Currently Subject to Closure?</b>	<b>Montana Based Business?</b>	<b>Main Street or other Prominent Location?</b>	<b>Assistance Available Elsewhere?</b>
<b>Types of Industries/Businesses This will Assist</b>	All industries.	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>
<b>Specific Need(s) for Support</b>	Revolving loan fund established				
<b>Estimated Resources Required (Total Or Per Entity)</b>	\$10K tuition loans per 1000 students = \$10M				
<b>Desired Timing of Funds (and recurrence, if applicable)</b>	Established in 4 weeks. Used until fully subscribed.				



**BOYS & GIRLS CLUBS**  
MONTANA ALLIANCE

April 27, 2020

Honorable Steve Bullock  
Office of the Governor  
Montana State Capitol  
Helena, MT 59601

Dear Governor Bullock,

Thank you for your leadership of Montana as we all work together to address the COVID-19 pandemic across the state and in our communities. As you make decisions regarding allocation of federal funds dedicated to providing relief and support for those impacted by the coronavirus closures, we ask you to consider a partnership with Montana's Boys & Girls Clubs.

As you know from your affiliation with our local Clubs, we have the geographic footprint, capacity and local relationships – in many of Montana's most challenged neighborhoods and communities – to quickly deploy critical services to *those who need us most*. As businesses begin to reopen, employees return to work, and schools remain closed, Boys & Girls Clubs will be critical community partners as they are uniquely qualified to provide needed services through:

- Proven programs that address key issues facing young people including critical social emotional wellness support and academic enhancement for disadvantaged kids who are most at risk of losing academic ground;
- Access to multiple healthy snacks and meals each day to ensure better nutrition;
- Safe environments with access to positive adults and social emotional supports;
- Professionally trained, background screened staff who are experienced at working at risk youth and their families;
- Infrastructure capable of immediate and sustained implementation of relief efforts;
- Supportive school partnerships to help fill the learning gap created by school closures – especially for kids with whom schools are struggling to connect; and,
- Opportunities to connect families with needed resources and support.

**Academic Support for Kids Losing the Most Ground**

Boys & Girls Club services are essential to helping young people stay engaged academically through homework help, academic remediation programs and exposure to STEM activities and experiences. Academic engagement is a priority for all Clubs and especially for those youth who are most in need of mentoring and academic enrichment activities that can prevent summer slide and learning loss due to COVID-19 closures.

Given the significant loss of in-person instruction this school year, the Boys & Girls Clubs across Montana can deliver academic support that will help arrest summer slide and recoup some of the learning

lost this spring, which is particularly affecting underserved youth. Studies indicate that summer learning loss tends to be significantly higher among students from disadvantaged backgrounds (Brookings Institute, 2016), which is exactly the kids our Clubs serve. Further, Clubs will be ready to support learning in the fall no matter what the classroom day or school week looks like for them.

#### **Healthy Snacks & Meals**

Last year, Boys & Girls Clubs in Montana served nearly 250,000 meals and over 175,000 snacks to kids, creating a true lifeline for disadvantaged kids statewide. During the COVID-19 pandemic, Club organizations across Montana have continued to feed children and families, and stand ready to continue supporting families who struggle with food security issues.

#### **Safety & Social-Emotional Support**

The foundation of every Boys & Girls Club is the physical and emotional safety of every member. This commitment to safety includes Club environments filled with highly trained professionals and volunteers who specialize in building relationships with kids, especially those with challenging personal situations. As a result, our Clubs are safe havens for *those who need us most*. That status and trust enable Clubs to:

- Secure kids the support they need in situations of abuse or neglect at home;
- Leverage our trauma-informed approach to help kids cope with stress and challenges of normal life and the current pandemic;
- Help kids escape the neighborhood risks from alcohol, violence and drugs.

#### **Support for Families Needing to Work:**

As businesses begin to reopen, employees return to work, and schools remain closed, Boys & Girls Clubs will be critical for helping support local economies. Thousands of parents statewide entrust their child(ren) to their local Boys & Girls Club to ensure their child(ren) are in a safe place so they can work, secure training for a new career or further their education. In many cases, parents – especially single parent families – will not be able to do any of these things without their child(ren) being able to attend their local Boys & Girls Club.

We request your strong consideration of a partnership with Boys & Girls Clubs across Montana by investing a portion of the Coronavirus Relief Funds in *those who need us most*. We stand ready to serve and would be happy to answer questions and discuss how we can work together to save more lives.

Sincerely,



Aric Cooksley  
Executive Director, Boys & Girls Clubs of the Flathead Reservation & Lake County  
President, Montana Alliance of Boys & Girls Clubs



## Projected Revenue Loss for Boys & Girls Clubs in Montana

Across Montana, local Boys & Girls Clubs rely heavily on the generosity of individuals, businesses and foundations that contribute approximately 75% of Clubs’ annual revenue – a collective \$6,000,000 in non-government funds. Based on estimates of current revenue loss experiences, we project an approximate 25% budget shortfall – or \$1,500,000 – over the coming year directly related to the impacts of the coronavirus on our donors.

Compounding the expected loss of local revenue are increased costs Boys & Girls Clubs face as we provide emergency services and adjust to new service realities and requirements to keep our members, staff and communities safe. Specifically, Clubs face costs for:

- Emergency food service, which is not fully covered by normal funding streams;
- Additional cleaning supplies and wages for elevated sanitation demands; and
- Higher staff costs for serving smaller groups of Club members.

## Request for Coronavirus Relief Funds

An investment by the Governor will help bridge the gap for local Clubs, especially those in rural communities and on the Reservation, until their private donors have an opportunity to recover and be in a financial position to resume their generous support of *those who need us most*. Therefore, we ask Governor Bullock to allocate **\$1,486,200** to local Clubs, which we will distribute using the formula outlined in the table below.

Organization Name	*60% of 2019 Members	**\$400 per Member
Boys & Girls Club of Carbon County ( <i>Red Lodge</i> )	189	75,600
Boys & Girls Club of Lewistown	139	55,680
Boys & Girls Club of Lodge Grass ( <i>New March 2020</i> )	60	24,000
Boys & Girls Club of Missoula County ( <i>Bonner/Lolo/Missoula</i> )	217	86,640
Boys & Girls Club of the Flathead Reservation and Lake County ( <i>Polson/Ronan</i> )	368	147,360
Boys & Girls Club of the Northern Cheyenne Nation ( <i>Ashland/Busby/Lame Deer</i> )	463	185,280
Boys & Girls Club of Yellowstone County ( <i>Billings/Lockwood</i> )	1,180	472,080
Boys & Girls Clubs of Cascade County ( <i>Belt/Great Falls</i> )	367	146,880
Boys & Girls Clubs of Glacier Country ( <i>Columbia Falls</i> )	96	38,400
Boys & Girls Clubs of the MonDak ( <i>Glendive/Sidney</i> )	135	54,000
Boys & Girls Club of the Hi-Line ( <i>Havre &amp; Malta</i> )	508	203,280
<b>Request Totals</b>	<b>3,723</b>	<b>\$1,489,200</b>

\*60% of Members projected to be served given safety restrictions and social distancing

\*\*\$400 is approximately 25% of what Clubs spend to serve a member each year

## Sassano, Amy

---

**From:** Eric Bryson <ebryson@mtcounties.org>  
**Sent:** Monday, April 27, 2020 2:04 PM  
**To:** Sassano, Amy  
**Subject:** [EXTERNAL] FW: Boys and Girls Clubs of Yellowstone County advocacy  
**Attachments:** MT 2020 Fact Sheet (2018 Data).pdf

I have some direct outreach/comments I will forward to you.

See attached and below.

Eric

**From:** Halverson, Benjamin <halversonb@billingsmt.gov>  
**Sent:** Monday, April 27, 2020 1:47 PM  
**To:** Eric Bryson <ebryson@mtcounties.org>  
**Subject:** Boys and Girls Clubs of Yellowstone County advocacy

Good afternoon, Gentlemen –

I am on the Board of Directors at the Boys and Girls Clubs of Yellowstone County (BGC) and volunteered to reach out to both of you directly on behalf of the club. Other board members are reaching out to contacts on the task force as well. I am sure you are both being flooded with various requests of this nature from people throughout the state, but I thought I'd share my experiences with the mass influx of domestic violence cases since the beginning of this pandemic.

In the month of March, 2019, I had 26 new domestic violence arrests. In March of 2020, I had 51 new domestic violence arrests. For those cases that are referred to my office when the suspect flees the scene and/or no arrest has been made, there has been a 66% increase in cases. In the last two months to date compared to the same time frame last year, my total case load has increased roughly 60%. Having prosecuted domestic violence cases exclusively for the City of Billings since 2015, we typically see marked increases around the holiday season, but even those numbers do not compare to the last 58 days.

Many news articles have addressed the expected increase in domestic violence. For cases that already suffer from serial underreporting, most articles conclude that the situation is likely much worse than we know. Fortunately, domestic violence victims have established services for those who do not report abuse. My biggest concern is that children no longer have the typical safety nets that catch ongoing abuse within the family home.

Without a counselor, pastor, teacher or friend, the normal avenues of reporting child abuse have been stifled by COVID-19. Put simply, all of the people who could notice abuse and take steps to protect a child no longer have the opportunity to do so. Programs provided by the BGC were essential before the current crisis, and are even more so now. Many of the children served by BGC in the greater Billings area are from poverty-stricken homes. Some have parents who are incarcerated, and others are completely homeless. The tragic reality of my job is that many of these same children will learn violence as a way to resolve conflicts, and by the time they get to my world, it is often too late for them to be rehabilitated. Abusive behavior is not an addiction or a mental illness. It is something that can be passed down from parents to their children, and that cycle is only really disrupted by those avenues of reporting I detailed above.

I testified three times during the 2019 session and twice during the interim, and this issue came up every single time, both in domestic violence and entitlement share disputes. I am of the belief that most of the people I prosecute are incapable of changing, and many studies confirm the same. While some legislators lament the cyclical nature of violence and believe we can address it on the back end of an abuser's life, I believe that we should address it on the front end, and primarily through programs like the BGC. Children need to be protected, but they also need to see positive adult role models, healthy relationships, and they need to know the basic difference between right and wrong.

When I first toured the multiple clubs throughout Billings, I observed several children as they reacted to their parents coming in to pick them up. The visible change in demeanor expressed by many children was heartbreaking, and it underscored my point here. Children are incredibly resilient, but they absolutely must have some semblance of normalcy during their days. Sadly, many of the BGC clubs are the only positives a child may experience on a daily basis. Now, a club may be the difference between ongoing abuse the chance to disrupt this awful cycle. Attached you will find a stat sheet detailing some of the essential services offered by clubs throughout Montana.

There is little positive to come from this crisis, but I believe Governor Bullock has an opportunity to take important steps by investing in children now, particularly in a time of crisis. An entire generation of children will disproportionately endure the worst part of human nature during this time, and taking proactive steps to protect them will pay dividends in the future. We often say that domestic violence thrives behind closed doors. In your respective positions on Governor Bullock's task force, I believe now is the time to support those agencies that can force those doors open.

Thank you both for taking the time to read this email. I am happy to answer other questions and provide information at your convenience. My direct line is included below.

Sincerely,

Benjamin J. Halverson  
Deputy City Attorney - DV  
Billings City Attorney's Office  
(406) 237-6150

DO NOT read, copy or disseminate this communication unless you are the intended addressee. This e-mail communication contains confidential and/or privileged information intended only for the addressee. If you have received this communication in error, please call 406-657-8205 and ask to speak to the sender of the communication. Also, please e-mail the sender and notify the sender immediately that you have received the communication in error.



**BOYS & GIRLS CLUBS**  
MONTANA ALLIANCE

### Our Mission

Our mission is to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.

# 2020 MONTANA FACT SHEET



“Embracing your true qualities makes you the best version of yourself.”



**Mikaela C**  
2019 Montana Youth of the Year

## The Club Experience

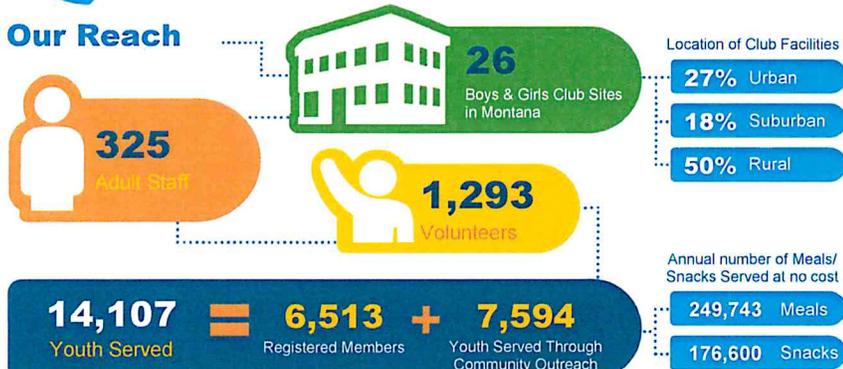
Boys & Girls Clubs fill the gap between school and home. We provide welcoming, positive environments in which kids and teens have fun, participate in life-changing programs and experiences, and build supportive relationships with peers and caring adults.



### The Need in Our State

Every day 33,479 kids in Montana leave school with nowhere to go<sup>1</sup>. They risk being unsupervised, unguided and unsafe.

### Our Reach

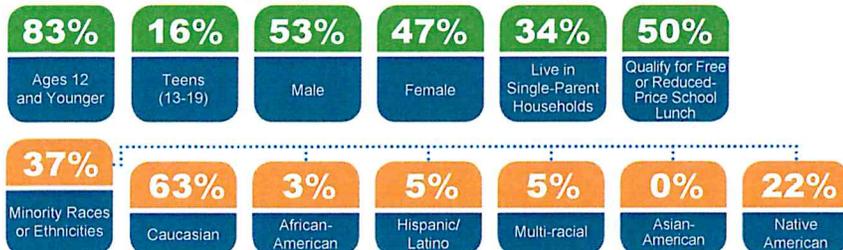


### Club Locations

Multi Club Cities are bolded, Military Bases are italicized

- Ashland
- Belt
- Billings**
- Bonner
- Bozeman
- Busby
- Columbia Falls
- Glendive
- Great Falls**
- Havre
- Lame Deer
- Lewistown
- Lolo
- Malmstrom AFB*
- Malta
- Missoula**
- Polson
- Red Lodge
- Ronan
- Sidney**

### Member Demographics



### 2017 Club Operating Income



Every dollar invested in the Boys & Girls Clubs returns \$9.60 in current and future earnings and cost-savings to their communities

# Our Agenda for America's Youth

At Boys & Girls Clubs of America we believe who you are, where you're from, or the circumstances that surround you shouldn't determine your access to experiences or opportunities. Our Agenda for America's Youth focuses on solutions and policies that will have the greatest impact on the youth of this country, and the fight to strengthen them. America's youth need a voice and with your help, we will close the opportunity gap for all youth in America.

## Out-Of-School Time



Every young person should have access to a high-quality out-of-school time experience.

### The Need

Nationally, 11.3 million school-age children are home without adult supervision after school.

### What We Do

Clubs across the country provide over 4 million young people with a safe place, caring adult mentors, fun and friendship, and high-impact youth development programs on a daily basis during critical non-school hours.

### Our Impact

**54%** of Club Alumni said the club literally "saved my life".

## Safer Childhoods



Every young person has a right to a safe, positive environment in which to learn and grow.

### The Need

Nationally, 49% of youth grades 4–12 reported being bullied at least once during the past month.

### What We Do

Boys & Girls Clubs are committed to supporting communities and local Clubs ensure the safety of all youth especially during out-of-school time when statistics show youth violence escalates in communities between the hours of 3-7 p.m.

### Our Impact

**92%** of Club members report that they feel like they belong at the Club.

## Health & Wellness



Every young person should be equipped to make healthy decisions resulting in positive social, emotional, and physical well-being.

### The Need

Nationally, 33% of high school students report currently using alcohol and 22% using marijuana in the past 30 days.

### What We Do

Our programs help youth engage in positive behaviors that nurture their well-being. Club members learn how to manage stress, demonstrate good teamwork, eat well, and keep physically fit.

### Our Impact

Club 12<sup>th</sup> graders are **2.5 times** more likely to abstain from alcohol than their peers nationally.

## Education, Career Readiness & Leadership Development



Every young person deserves to be well prepared for life and career.

### The Need

15% of young people in Montana fail to graduate from high school on time.<sup>2</sup>

### What We Do

Clubs equip youth with the soft and hard skills they need to succeed in the workforce and create access to partnerships for real-life experiences to explore career options.

### Our Impact

**97%** of Club teens expect to graduate high school and **86%** expect to complete post-secondary education.

## Equity & Inclusion



Every young person has the right to safe, positive and inclusive environments where everyone can reach their full potential.

### The Need

Nationally, 1 in 6 children live in poverty and 40% live in low-income families.

### What We Do

Clubs champion opportunities for the unique challenges and circumstances in communities, while respecting and celebrating their strengths and cultures.

### Our Impact

**82%** of Club members believe they can make a difference in their community.



**BOYS & GIRLS CLUBS**  
MONTANA ALLIANCE

For more information, please visit [www.bgca.org](http://www.bgca.org)  
(202)507-6670 || [advocacy@bgca.org](mailto:advocacy@bgca.org)  
Joyce Glasscock || (785) 341-4804 ||  
[jglasscock@bgca.org](mailto:jglasscock@bgca.org)

<sup>1</sup> America After 3PM, Afterschool Alliance. <http://afterschoolalliance.org/AA3PM/>  
<sup>2</sup> America After 3PM, Afterschool Alliance. <http://afterschoolalliance.org/AA3PM/>  
<sup>3</sup> America After 3PM, Afterschool Alliance. <http://afterschoolalliance.org/AA3PM/>  
<sup>4</sup> America After 3PM, Afterschool Alliance. <http://afterschoolalliance.org/AA3PM/>

## A Proposal for the Governor's Coronavirus Relief Fund Task Force

Center for Infectious Disease Management for Older Adults (CIDMOA) in Billings, MT.

Background: Care in senior living centers is essential to manage the health and well-being of the growing number of older people in Montana. Unfortunately, Covid-19 virus prevalence in nursing homes and assisted living communities across the country has severely affected the public image of senior care facilities. These same facilities had previously struggled with positive imaging prior to the reality of the Covid-19 virus.

Purpose: If senior care facilities are to remain a viable community resource to manage our growing older population, we must take steps to divert the care delivered for older adults who are unable to self-care at home and who have moderate to severe Covid-19 conditions. Hospitals and nursing homes could discharge to a Center for Infectious Disease Management for Older Adults. This center could also serve those with influenza who are unable to self-care at home.

What is a CIDMOA?

A CIDMOA is a public and private partnership to develop a community asset of shelter and care. This asset would utilize a small facility with capacity of twelve to sixteen beds. The asset would provide services to hospital and nursing home referred patients who have an infectious disease that can be managed by specialists for those with moderate to severe symptoms. This would allow hospitals and nursing homes to more effectively provide traditional services within their care settings. Generally, those with mild symptoms can remain home. Some with severe symptoms and all with critical symptoms would need hospitalization.

Public Partnership = Acquisition Funds as well as a Subsidy Escrow Fund.

Acquisition = The Billings CIDMOA would ask for a \$5M to acquire, supply and equip a medical facility that can be isolated physically from any other hospital or nursing home for two years as a vaccine is hopefully developed.

Subsidy = \$4M escrow that would offer a safe harbor of operating losses for two years. Balance to be returned to the State of Montana.

Private Partnership = A joint operating agreement hospitals and nursing homes who will commit \$250,000 each, in order to fund an operating reserve to establish a CIDMOA.

Hospital partners, as part of the blanket waivers provided by CMS, would allow Hospitals and Nursing Homes to discharge patients testing positive with the Covid-19 virus to alternate care sites and to bill respectively as if they were their own patients. Hospital partners that direct admissions would pay the CIDMOA \$2,000 per day. Nursing Home partners that direct admissions would pay \$500 per day. This potentially frees up capacity for more traditional services within the Hospital(s) or Nursing Home(s) setting enabling more elective procedures and post hospital rehabilitation, while minimizing fear of discrimination or avoidance within those settings.

Conclusion:

The economic impact of the Covid-19 virus has already been felt by the Healthcare community and the entire economic engine that revolves around healthcare. It is prudent that wherever possible, we create the best environments of health care with the finest and most well prepared staff to serve our citizens. Our citizens, unfortunately, are inflicted by a disease that is indiscriminately affecting all people.

April 28, 2020

Governor Steve Bullock and the Coronavirus Relief Fund Task Force

Governor Bullock and Taskforce Members,

The Carbon County COVID-19 Command-Economic Recovery Team have been working diligently to identify the impacts to our County due to the pandemic.

We appreciate this opportunity to forward these recommendations to you on behalf of the businesses in Carbon County that are suffering greatly under the impacts of COVID-19. Our economy is primarily based in tourism and agriculture. We have not yet felt the full impact from the loss of tourists **yet**, but expect a dire situation this summer. The current state of agriculture, our largest industry, does not improve the outlook.

These impacts will be long lasting and potentially business ending for many of our county's residents. Our "bread and butter" months are generated in May, June, July and August. These months make up for the slower winter months, when our businesses actually reinvest their summer profits back into the community to make it through the slower shoulder seasons. Remove these four months from a booming tourist season and our local economy gets very bleak. One business owner explained the situation, "just say for example if I net \$100,000 for the year, it is because I made \$250,000 in 3 months and lost \$150,000 the other 9 months."

We appreciate that a large percentage of our resident's work in our neighboring counties but in reality, without a mine, refineries, large manufactures and few large businesses, Carbon County is likely going to face much more difficult times than our neighboring counties. Being one of the gateways to Yellowstone National Park via the Beartooth pass puts our county in peril with the anticipated decline in travelers to the park. Carbon County is a tourist destination. In a recent COVID-19 Economic Vulnerability Index developed by Chmura Analytics, **Carbon County ranks as the 107th most vulnerable county out of all 3,141 counties in the nation.** This study projects our potential job loss to be over 40% greater than the average county. Only one county in Montana has a significantly larger impact according to this study. This pandemic will undoubtedly have a larger economic impact than a medical impact in our county. Our county was proactive and closed our businesses before the state mandate. These closures have come at a cost financially but to date have kept our county's COVID-19 cases low.

Carbon County plays a significant role in our region's economy. We provide the outdoor playground for our Yellowstone County neighbors and worldly travelers alike. Besides our tourism industry, almost 40% of our workforce travels outside of our county for work, while our farmers and ranchers provide a stable and safe food supply. With the current situation, tourism and agriculture are not in a position to fare well.

We have been closely monitoring Yellowstone County's Economic Response and Recovery Team as well and have coordinated on some levels with them. They have a very involved partner in the Big Sky Economic Development that has done tremendous work. We support their recommendations to your committee. We furthermore support the recommendations put forth by Tourism Matters.

Specific to agriculture our group would urge financial support to increase the capacity to process meat products in our state. Access to meat products has only become more challenging because of this

pandemic. Food security is one of the increasing concerns as this pandemic will continue to cut capacity to package meat at the larger facilities. We no longer have a meat processor in our county and all of the regional packers are taking reservations 8-12 months out. We see this as a real opportunity for the right group to benefit the local economy while providing a safe and local food supply. We have discussed and are exploring a cooperative type meat processing program in our county.

We request you invest the CARES funding proportionally across the state, with a focus on the need for rural to recover as quickly as the urban areas by investing in our economic engines of tourism, agriculture, along with investments in community health and social services, education and nonprofit relief.

Respectfully,



Scott Blain, Carbon County Economic Recovery Team and Carbon County Commissioner

**Carbon County Economics Recovery Team**

- Tom Kuntz-Restaurant/Bar/Hotels-Red Lodge
- Kelley Evans-Beartooth Billings Clinic-Red Lodge
- Dr. Bill George-Carbon County Public Health Officer
- Jeff Schmidt-Red Lodge Mountain-Red Lodge
- Hal Ward-Restaurant/Bars-Joliet
- Dakota Mitchem-Mayor-Joliet
- Tom Kohley-Carbon County Disaster Emergency Services
- Cliff Schultz-Mayor-Bridger
- Dave Stauffer-City of Red Lodge
- Shirley Miller-Mayor-Fromberg
- Lars Hanson-Ag Lender-Red Lodge
- Ryan Brajcich-Commercial Lender-Red Lodge
- John Fitzgerald-School superintendent- Red Lodge
- Allison Evertz-School superintendent-Joliet
- Leza Vargus-Realtor-Bridger
- Carla Lawrence-Carbon County Farm Bureau-Boyd
- Melissa Oswald-Agriculture Producer-Edgar
- Sam Smith-Pastor-Joliet
- Steve Simonson-Beartooth RC&D
- Tracy Timmons-Red Lodge Area Community Foundation
- Trish Eik-Joliet Community Development Alliance
- Sherry Weamer-Red Lodge Chamber of Commerce



April 25, 2020

The Honorable Steve Bullock, Governor  
Members of the Coronavirus Relief Fund Task Force  
Office of the Governor  
PO Box 200801  
Helena, MT 59602

**Re: Recommendations for CARES Act Relief Funding**

Dear Governor Bullock and the Coronavirus Relief Fund Task Force,

The COVID-19 pandemic demands swift action from our state government. As you chart a path forward, the Clark Fork Coalition urges you to consider the interrelated crises of wealth inequality, racism, and ecological decline, which were in place before COVID-19, and now risk being intensified.

In addition to prioritizing public health, providing direct relief to families and workers, and protecting democratic processes, Montana's COVID-19 response should include making a down payment on a regenerative economy. Investing at least 10% of the CARES Act relief package in green infrastructure, environmental remediation, watershed restoration, climate resiliency, and sustainable agriculture will return significant rewards in a healthier physical environment that is resilient to external shocks, that protects public health and safety, creates quality jobs, and reinvigorates the economy. Grant programs through DNRC, DEQ, FWP, and Conservation Districts are already in place to receive, distribute, and account for relief funds, making investment in a regenerative economy easy and effective.

The choices the task force makes right now to ensure immediate relief and long-term recovery will shape life in our state for decades to come. Thank you for your work to ensure the best possible future for Montana.

Sincerely,

A handwritten signature in blue ink that reads "Karen Knudsen". The signature is fluid and cursive.

Karen Knudsen  
Executive Director

PO Box 7593  
Missoula, MT 59807

T: 406.542.0539  
F: 406.542.5632

[www.clarkfork.org](http://www.clarkfork.org)

April 22, 2020

Early Learning and Care Professionals  
755 River Avenue  
Columbia Falls, MT 59912

**Re: Recommendations to the Coronavirus Relief Fund Task Force**

To the Coronavirus Relief Fund Task Force:

The Early Learning and Care Professionals of Montana are here to meet the needs of families during COVID-19 and through recovery. Childcare is essential for essential workers to serve our communities and for families to return to work. The reduction in teacher child ratios to accommodate health and safety guidelines is not only much more costly to implement, it results in reduction in space available for children. We are requesting funding for an Early Learning and Care Task Force to collect thoughts, concerns and questions from early learning and care professionals and families, with the intention of identifying short-term and long-term needs, providing a collaborative space to create solutions for implementation. The following recommendations come from the collective voice of Early Learning and Care Professionals to ensure program sustainability through recovery, and we can not expect families to absorb the associated cost:

- Recommended staff to child ratio for each classroom 2:8, with a program maximum of 24 children. This applies to family, group and center childcare to accommodate health and safety.
- \$600 per week hazard pay for all early learning and care program staff (defined as directors, managers, teachers, assistant teachers and support staff). We need staff to feel safe returning/continuing to work and to compete with unemployment benefits.
- Monthly program stipend to cover general operation costs in order to remain open with new staff to child guidelines. Cost \$500 per classroom, per week.
- Increased Best Beginnings Scholarship rate to \$80 per day, per child, not required to be matched by private pay families. Increased cost to programs to cover lower teacher child ratio will be supplemented by Best Beginnings Scholarship for all families to cover the increased rate to \$80 per day, per child.
- No touch thermometer, ~\$100 per thermometer, one per classroom
- Health insurance coverage and/or at minimum coverage of COVID-19 related illness for all early learning and care program staff and their families, who are not already insured.
- Funding for an Early Learning and Care Task Force with the following roles:
  - Task Force 5 members qualifications include:
    - MA Degree in Early Childhood Education/Child Development, and
    - BA Degree in Early Childhood Education/Child Development, and
    - Accredited and/or STAR 5 facility owner/director
  - Develop a communication system to provide input and ask questions with a feedback loop
  - Professional Learning Community facilitation for peer to peer support including the following topics:
    - Health, Safety & Nutrition
      - Update standardized cleaning and sanitation procedures and distribute
      - Update standardized daily health check procedures and log sheet and distribute
    - Trauma Informed Care
      - Problem Solving
      - Positive Behavior Supports

- Leadership and Program Management
      - Develop plans for staff absence due to self-quarantine
    - Wellness Implementation
  - Dedicated website to host:
    - Resources used in each Professional Learning Community
    - Frequently asked questions
    - Space to submit questions with feedback loop
  - Contract Cost \$2,400 per member, per week
  - Cost of website development and maintenance ~\$10,000
- Personal Protection Equipment
- Cleaning and sanitation equipment including:
  - Deep cleaning supplies/tools
  - Touchless faucets and installation
  - Automatic soap dispensers and installation
  - Cleaning supplies
  - Disinfectant supplies
- Full time cleaning and disinfecting staff member, wage minimum \$15 per hour
- 6 months paid parental leave upon birth or adoption of a child to protect the health of infants and alleviate high needs care burden on early learning and care programs.
- Increase Early Childhood Apprenticeship Program participants and funding for certificate and/or associates degree in early childhood education/child development. We do not have a large enough workforce to meet the need, especially with a reduction in adult to child ratios to protect health and safety.

We feel it is important to have representation at the Coronavirus Relief Fund Task Force. Please consider opening a seat for us to actively contribute and respond to recommendations directly impacting support services needed by families throughout Montana. The Early Learning and Care Professionals of Montana is led by Lucy Beltz, M.Ed., ready and available to present a collective voice from the early childhood field. Please direct questions to Lucy at [lucybeltz@gmail.com](mailto:lucybeltz@gmail.com) or (406) 471-8614.

Be well,

The Early Learning and Care Professionals of Montana

**Sassano, Amy**

---

**Subject:** FW: Relief Fund Task Force

**From:** Larry Simkins  
**Sent:** Thursday, April 30, 2020 4:02 PM  
**To:** John Maxness <[john@execairmontana.com](mailto:john@execairmontana.com)>  
**Subject:** RE: Relief Fund Task Force

John,

Good afternoon.

Thank you for reaching out and I do remember the flight to Jackson Hole. Support to small business is a critical part of our recommendations and I also appreciate the aeronautics Board perspective.

Our final report is due tomorrow that includes high level recommendations for the Governor and his staff. While we do not address specific funding requests in the report, we have created an Appendix to include industry specific requests. I will highlight the pertinent information in your email and make certain that it is included in the Appendix and reviewed by the Governor's staff.

Thanks again.

Larry

**From:** John Maxness <[john@execairmontana.com](mailto:john@execairmontana.com)>  
**Sent:** Thursday, April 30, 2020 3:27 PM  
**To:** Larry Simkins <[lsimkins@washcorp.com](mailto:lsimkins@washcorp.com)>  
**Subject:** Relief Fund Task Force

Larry,

By introduction, I am a co-owner of Exec Air Montana in Helena. Our operations include passenger charter, air ambulance, aircraft refueling and maintenance, aircraft storage and ground handling of almost any kind of aircraft. When an airplane of Washington Corp flies to Helena, we are the service provider for that operation. Washington Corp has used our company to provide charter support when your aircraft are not available. We meet a couple years ago as I was the pilot on an overnight flight to Jackson Hole you were a passenger on.

The reason I am reaching out today is your important mission on the Relief Fund Task Force with Governor Bullock. I understand this committee has many goals and mostly wanted to make some of the appointee's aware of how COVID-19 has affected the small aviation operators like us. Specifically I felt you would have an understanding of the importance of a solid aviation infrastructure in Montana.

Most Montana aviation service providers stayed open providing the much-needed ground support for air ambulance flights, cargo flights for US Mail, FedEx and UPS. Other missions we witnessed were humanitarian flight related to medical supplies and equipment, sanitation products and relief supplies to restock needed products for nursing homes including specialty dietary food supplies. I consider keeping these aviation providers imperative, our aviation infrastructure is as important as our highway transportation system and railroads. Think of aviation service provider

company much like a public utility, it's very hard to merely slam the door and not provide a front line of defense for ambulance flights and supplies.

With that Larry came some significant financial losses to these businesses. I know some consideration may be given to these small private aviation service providers like our self and hope you can be an advocate for us. Sometimes the operations of these small aviation service companies gets confused with "airports". The actual airport owners in Montana were compensated nicely through the CARES Act, I think Missoula received around 6 million dollar from this program. The problem is none of this money trickles down to the actual front line companies that stayed open like ourselves.

The importance of keeping our aviation service providers whole and the role they play in keeping safety paramount is key to keeping Montana's aeronautical infrastructure sound.

One other item I would like to discuss is the Montana Airports Grant and Loan Program. I sit on the aeronautics Board which oversees the disbursement of these matching dollars. The funding of this program is predicated on an Montana aviation fuel tax. Currently aviation fuel sales have reduced by 60 to 65% of normal. In Helena we are pumping 1/3 of our normal volume. In speaking with other board members a concern that arises is the lack of funding going into this trust account now and into the future as we work ourselves to recovery from COVID-19. My understanding is this Task Force may identify what the shortfalls will be in the highway trust fund and hopefully back fill some of this with federal stimulus money, my hope is the aviation trust fund would be considered vital and treated the same.

My ownership of aviation service provider company and a sitting aeronautics board member are two separate issues for this committee to digest, but wanted to cover both in a short email.

Thank you for your time and please do not hesitate to contact me if you have any questions.

Regards,

**John Maxness**

**Exec Air Montana, Inc.**

2430 Airport Road  
Helena, MT 59601

**406.442.2190**

**406.442.2199 fax**

[john@execairmontana.com](mailto:john@execairmontana.com)



25 April 2020

Shalon Hastings

Dear Shalon:

Most fishing guides and outfitters in Montana are self-employed as Independent Contractors (ICs) with their business structured as a Limited Liability Company (LLC) or sole proprietorship. These non-W-2 business structures led to hurdles and often rejection for most of the disaster relief aid packages that have been made available through the CARES Act. The \$10K quick cash that was rolled out as part of the Economic Injury Disaster Loan (EIDL) was a program many guides and outfitters believed could substantially help through this closure. However, the program was quickly altered, allowing for only \$1K per employee (many guide and outfitting businesses do not have employees), up to \$10K. This meant most guides and outfitters were eligible for only \$1K. Further, when initially unveiled, the EIDL program allowed for a 3-day turnaround, recently this timeline was extended to greater than 3 weeks. To date, only two of our roughly 850 FOAM members have seen these EIDL funds materialize.

Allowing a portion of the \$1.25 billion to be used to supplement the benefit that the CARES Act \$10K EIDL quick cash grant was originally intended to deliver would be extremely beneficial for keeping these independent contractors, LLCs, and sole proprietorships afloat. Those funds would be used to help the self-employed with rent or mortgages, food, and utility bills, and other necessary living expenses. These funds would be largely spent within their communities, remaining within the communities which will help other small businesses throughout Montana.

Grant for MT licensed guides or outfitters:

\$25 Million grant program for any Montana licensed guide or outfitter. Grants of \$10K paid to individuals. To qualify a fishing guide must acknowledge they operated trips on 40 or more different days in 2019. Outfitters must have operated 40 or more days under their outfitting license (including guides that worked under them).

Rationale:

Although IC fishing guides are eligible for unemployment. Fishing guides make the majority of their annual income in short seasonal window. This seasonal window has been heavily impacted by COVID-19. Travel quarantine restrictions and COVID-19 concerns greatly increased trip cancellations and new bookings are substantially reduced compared to a normal season. Unemployment Insurance will only provide a small fraction of the overall income a fishing guide would normally receive in the course of the

season. The \$10K grant will help to augment any unemployment benefits they receive to get them closer to a livable wage and survive the year.

Additional Loan program for licensed outfitting businesses:

\$25M assigned for a low interest loan program for outfitted fishing businesses. Unused funding from the \$25 million grant package previously described could be used as partial source of funding for these loans.

- Low interest rate (ideally less than 3%)
- Long term (ideally 30 years) – The adverse impact of the Coronavirus pandemic on seasonal summer outfitting, which relies on advance bookings, will be overwhelming for many larger outfitting businesses requiring a recovery timeframe of several years. Therefore, longer term loans, versus the Paycheck Protection Program (PPP) which is a 2-year payback, are needed.
- Business must have a licensed Montana outfitter as an owner. The outfitter must own a minimum of 25% of the business for the business to be eligible for a loan. Articles of incorporation for an LLC or S-Corp must be provided showing ownership percentages of the business at the time of application.
- The business must derive at least 80% of its revenue from services and sales related to the fly-fishing industry (guided fishing, fishing retail, lodging for fishing guests).
- Maximum loan amount may be no more than 25% of gross revenue as reported on most recent federal tax return.
- If the same business receives a federal EIDL loan then the loan amount may be reduced by the amount of the EIDL if the EIDL is approved and funded.
- All applications will be accepted by a specific deadline date. Once accepted, if the sum of all loan requests is greater than the \$25 Million assigned for the program, maximum loan requests may be reduced to avoid surpassing the allocated amount of the program, as opposed to first-come-first-served, which may leave some outfitters out of funding.

Rationale:

Most of the guided fishing trips operated in Montana which help to attract anglers are recruited by a smaller number of outfitting businesses that have substantial fixed costs. Maintaining these businesses that were previously healthy and successful prior to the COVID pandemic as viable into future years is important to the recreation economy of Montana. The loss of these businesses would substantially damage the core infrastructure of the tourism market and make long-term economic recovery more difficult.

PPP loans were of limited assistance for many of these businesses due to the timing of the forgiveness window. Most fly shops and outfitting businesses in April, May, and early June have already experienced a 90-100% cancel rate. As such, operating at normal staffing levels which dictate forgiveness of this loan program has not been realistic. Furthermore, PPP loans must be paid back over 2 years. This short payback window is problematic for businesses that are still attempting to recover.

The EIDL program is a more useful program for outfitters as it allows a 30-year payback. Unfortunately, the EIDL program was underfunded and was unable to provide the cash infusion necessary for the seasonal nature of outfitting businesses.

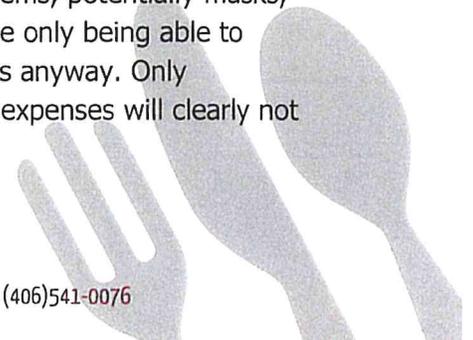


To: Tom Dolan [tdolan@glacierbankcorp.com](mailto:tdolan@glacierbankcorp.com)  
Cc: Dennis Beams [dbeams@glacierbank.com](mailto:dbeams@glacierbank.com)

Tom & Dennis,

Thank you both for including Nick and I in the discussion of a fair disbursement plan for funding assistance. Believe it or not, Nick and I have over 80 years of combined experience in the food and beverage industry. Starting in the late 1970's as employees on the wholesale side Nick with the Coca Cola Co, starting in the warehouse, moving to delivery and eventually into sales. I worked for Sheehan-Majestic in similar fashion, starting in the warehouse, moving to sales and eventually, the sales manager. We both called on dozens of bars, restaurants, and stores per day for many years, gaining valuable knowledge before becoming business partners. We have been in business together now for 34 years, and have developed and operated brands including Hoagieville, Joey's Only Seafood, Red Robin, Nickel Charles', and The Montana Club Restaurant Bar and Casino, along with many others.

On approximately March 16<sup>th</sup> 2020 (depending on county) restaurants, bars, distilleries, breweries, and casinos were ordered to all but shut down until further notice. While understanding the importance and the need to close and the soon to follow shelter at home order, this sudden stoppage created a catastrophic chain of events for our industry. All stores received large food orders, as we all geared up for what is referred to as the start of busy season with St. Patrick's Day week. Those inventories represent the lion's share of most restaurants cash. Some was salvaged through giving away to employees, donating, and some items can be frozen, but literally thrown away. Very little was turned into much needed operating capital. Some restaurants such as ours quickly implemented an approved takeout and delivery segment, which proved costly with software purchases, expensive to go containers, and service charges. At best the restaurants doing a good job of this are seeing about 10-15% of typical revenue, while expenses are ongoing. The popular PPP loan, while helpful with payroll, only allows 25% of the money to be used for non-payroll expenses. Restarting our business's while a great step towards regaining normality, will be a very expensive endeavor. Many operators will be able to purchase needed groceries only by C.O.D. which will require upfront cash. Most counties are requiring costly signage, sanitation systems, potentially masks, and more cleaning materials which all add more costs. All of these, while only being able to operate at 50% capacity. All operators work on relatively skinny margins anyway. Only operating at 50% capacity will be a challenge to say the least, because expenses will clearly not be at 50%.





In regards to the original question of how to fairly disburse the much appreciated funds, in a simple manner, here is an equation that could work. Determine a correct assessment of an average week of non-wholesale revenue for restaurant, bar, breweries, casino, or distilleries based on a 12 month average starting March 1<sup>st</sup> 2020, going back 12 months (would adjust if a new business) off tax returns or certified P&L. To be fair, any business with a gaming machine would receive \$500 per machine. Sales would include food, all beverages including liquor. Offer each operator an amount of monies that are equal to 100% of 3 weeks of sales. This would allow restaurants to pay for beginning inventories, added reopening expenses, and help to offset the unknown period of time that we have to operate at 50% capacity. A big unknown will be, when will our customers feel 100% comfortable eating out again? A model might look like this: Average Montana restaurant according to the Montana Restaurant Association does approximately \$900,000 in yearly sales. \$900,000.00 divided by 52 weeks equals \$17,309 per week or \$51,921.00 for 3 weeks. If this establishment also had gaming machines, then they would receive \$500.00 per game, obviously, the maximum amount of machines per location is 20. This would represent a total of approximately 155 million to operators in Montana, along with approximately 8 million to casino operators based on \$500.00/machine and there are 16,000 video gaming machines in the state.

We believe this represents a fair and relatively simple formula to quickly put much needed startup capital into the hands of all Montana operators of restaurants, bars, casinos, breweries, and distilleries.

Thank you again for reaching out,

A handwritten signature in black ink that reads 'Bob Powell'.

Bob Powell

A handwritten signature in black ink that reads 'Nick Alonzo'.

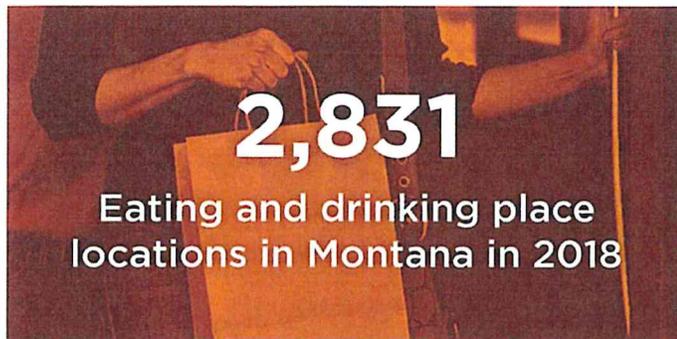
Nick Alonzo



# Montana

## RESTAURANT INDUSTRY AT A GLANCE

Restaurants are a driving force in Montana's economy. They provide jobs and build careers for thousands of people, and play a vital role in local communities throughout the state.



**2,831**  
Eating and drinking place  
locations in Montana in 2018



**\$2.3 billion**  
Estimated sales in Montana's  
restaurants in 2018



**57,200**  
Restaurant and foodservice jobs  
in Montana in 2019 = 12% of  
employment in the state

**AND BY 2029, THAT  
NUMBER IS PROJECTED  
TO GROW BY 7.9%**

= 4,500 additional jobs,  
for a total of 61,700

### HOW DOES THE RESTAURANT INDUSTRY IMPACT THE MONTANA ECONOMY?

Every dollar spent in the tableservice segment contributes \$1.72 to the state economy.

Every dollar spent in the limited-service segment contributes \$1.53 to the state economy.



FOR MORE INFORMATION: [Restaurant.org](http://Restaurant.org) • [MTRestaurant.com](http://MTRestaurant.com)

# Montana's Restaurants

**JOBS AND ENTREPRENEURIAL OPPORTUNITIES IN EVERY COMMUNITY**

<b>U.S. SENATORS</b>	<b>EATING AND DRINKING PLACES:</b>	
	<b>Establishments in the state</b>	<b>Employees in the state*</b>
Steve Daines (R)	<b>2,831</b>	<b>40,300</b>
Jon Tester (D)		
<b>U.S. REPRESENTATIVES</b>	<b>EATING AND DRINKING PLACES:</b>	
	<b>Establishments in the state</b>	<b>Employees in the state*</b>
Greg Gianforte (R)	2,831	40,300
<b>TOTAL</b>	<b>2,831</b>	<b>40,300</b>

\*Montana's 40,300 eating-and-drinking-place jobs represent the majority of the state's total restaurant and foodservice workforce of 57,200 jobs, with the remainder being non-restaurant foodservice positions.



**FOR MORE INFORMATION:** [Restaurant.org](http://Restaurant.org) • [MTRestaurant.com](http://MTRestaurant.com)

**Source:** National Restaurant Association, based on data from the Bureau of Labor Statistics & U.S. Census Bureau, 2018

To: Montana Coronavirus Relief Fund Task Force  
From: Funders for Montana's Children  
April 23, 2020

**Funders for Montana's Children** is a group of foundations that have come together to foster partnerships to expand quality early care in Montana. FMC Members include: AMB West Philanthropies-an affiliate of the Arthur M. Blank Family Foundation; O.P. and W.E. Edwards Foundation; Dennis and Phyllis Washington Foundation; Lora L. and Martin Kelley Family Foundation Trust; First Interstate Bank Foundation; Headwaters Foundation.

Business leaders across Montana consistently voice their concern about challenges to attract families to work, retain employees, and keep parents productive at their jobs as a result of the lack of high-quality early care options for infants and toddlers. In a 2019 study, the [Montana Department of Labor and Industry](#) reported Montana licensed providers could only fill the childcare needs of approximately 40% of families with children 5 and under. Parents report that they are leaving jobs, and not accepting jobs because they can't find or afford childcare. 47% of respondents indicated they had to scale back or abandon careers due to childcare issues. [Missoula Chamber of Commerce Survey 2018](#)

As a result of Covid-19, many childcare businesses have closed because families without work no longer needed or could afford care or because the threat of virus spread to children and staff seemed unmanageable. At the onset of coronavirus, 59% of licensed programs in six Montana counties closed operations. [Child Care Connections Bozeman MT](#). There is a risk that many of these businesses will not be able to reopen. In a recent survey of 6,000 childcare teachers and workers, only 11% were confident they would be able to re-open without assistance after a closure of an indefinite amount of time. 47% of those surveyed said they would not be able to survive even a two-week closure. [NAEYC Child Care in Crisis March 2020](#)

In a system that is already markedly insufficient to meet Montana families' need for early care, the onset of Covid-19 has only exacerbated the childcare crisis and workforce and economic impacts outlined above.

Funders for Montana's Children strongly support utilizing Montana Coronavirus Relief Fund resources to preserve existing childcare businesses and begin to address the factors that have created a system that currently does not work for Montana's children, families, businesses and our economy.

We understand that the Early Services Bureau of DPHHS and professional child care organizations like the Montana Child Care and Resource Network will be making specific recommendations. We value their expertise and support their recommendations.

Another resource with specific recommendations: First Children's Finance: Preserving Child Care Now - Resources for State @ FMC Website <https://fundersformontanaschildren.org/>

Thank you for your service on this task force.

Mark Kelly, FMC Policy Committee  
Amy Hyfield, FMC Executive Committee  
Deborah Neuman, FMC Consultant

**THE COMMUNITY THAT CARES TOGETHER ...**  
**CARES Requests from Representatives of Cascade County, City of Great Falls, the Great Falls Chamber, Great Falls Development Authority, and Great Falls Tourism**

Ensure an Immediate Safety Net (Immediacy Needs of Local Government Indicated in Local Government Section with \*)

- Grants to provide information, PPE and implementation assistance to small businesses prior to re-opening, including access to free COVID-19 testing for employees to bolster consumer confidence.
- Funding to increase the number of public health and emergency services personnel required to respond to increased need for training and inspections.
- An immediate grant program to help small businesses survive the loss of revenue, filling the gaps that current federal programs have left unfilled.
- Pool of resources for “community safety net” non-profits who are necessary to a successful recovery but whose revenues have been depleted by the pandemic.
- A grant program providing an immediate infusion of loan capital into existing local/regional community and economic development revolving loan funds with as much flexibility as possible to enable loans to fill gaps.
- Incentives to provide free temporary housing for the homeless and others who are COVID-free and need to self-isolate to stay that way.
- A financial relief program for childcare providers, hotels, tourism-dependent businesses, entertainment, and non-profit cultural and arts organizations to sustain operations through the end of the year.

Stabilize Business

- A grant program to help businesses and non-profits pay for the purchase of equipment, materials, and training to adapt to operating safely in a COVID-19 world, including equipment supporting a “work from home” environment.
- Pool of grant funding to pay two years of property taxes for distressed homeowners and small businesses.
- Loan and equity capital to existing economic development revolving loan funds to be used to help business start-up, retention and expansion projects, and to help launch real estate development projects this year.
- Grant funds to communities and economic development organizations to begin construction this year on infrastructure projects supporting economic recovery, such as workforce housing and increase wi-fi accessibility.
- Business training and advising through increased funding for the state Small Business Development Center network and/or through local/regional economic development organizations and Chambers.
- Targeted grants – locally administered under guidelines set by state but providing local flexibility -- to assist pre-COVID viable businesses in industries critical to recovery.
- A significant infusion of funding to ensure safe and affordable childcare, without which businesses cannot attract and keep employees.
- Loan and equity capital to existing economic development revolving loan funds to be used to help business start-up, retention and expansion projects, and real estate development projects get launched this year.

Jump-Start Tourism, Hospitality and Retail Sectors

- Capital projects that improve the infrastructure that drives tourism and hospitality – venues for state fairs, rodeos, concerts, and baseball games; wayfinding and walk/bike trails that
-

encourage outdoor recreation – as well as projects addressing areas of blight that detract from the visitor experience.

- Funds granted to local and regional tourism promotion organizations to develop and launch marketing campaigns that complement state marketing efforts.
- Grant funding to invest in technology advancements to enhance the visitor experience with less contact and less confined space; wayfinding signage/digital kiosks to reduce close contact and transferring of printed materials.
- Grant program for business development efforts, such as incentives for meeting planners to bring conventions and events; collaborative marketing into drive markets, both overnight and day- trippers.
- Grant funds for tourism organizations to develop strategic approach for destination development to remain competitive or to enhance competitiveness.
- Infrastructure funds to improve convention venues or develop venues that can host mid-size events with enhanced technology services and better social distancing.

#### Reimburse Local Governments

- Reimbursements to Cascade County for costs and lost revenue attributable to COVID-19 as detailed in “Cascade County COVID-19 Expenses.” \*
- Reimbursements to the City of Great Falls for costs and lost revenue attributable to COVID-19 as detailed in “City of Great Falls COVID-19 Expenses.” \*
- Direct grants to senior citizens centers to help them restart their programs with appropriate PPE and social distancing. \*
- Pool of state funds to stabilize distribution of fuel taxes to local governments despite downturn in collections. \*

#### Address Demands on State Government

- Cash infusion to stabilize PERS system after COVID-19 crash and during upcoming recession.

#### Prepare for the Unforeseen

- Contingency funds for local governments to respond quickly to “second wave” crises.
- Grant funds to economic development entities and Chambers to develop new strategic plans and conduct market research to identify threats and opportunities, and to begin to address these.
- Operational guidelines for recovery that mitigate confusion and bolster confidence:
  - Provide clear, concise guidance on infection control requirements for businesses.
  - Abandon “ essential” and “non-essential” business classifications in favor of criteria related to potential exposure to and spread of the virus that must be met, regardless of business type.
  - Publicly recognize successful business inspections – e.g., a poster displaying successful inspection date – to bolster consumer confidence.
  - Use varied media platforms with consistent messaging to make citizens aware of precautions being undertaken in the re-opening process.
  - Segue into re-opening; rather than an on/off switch, give businesses lead time to recall employees, restock consumables, and implement best safety practices.
  - Use a threat/risk level system similar to “amber” alerts, in order to communicate changes in intensity that may increase or decrease, rather than “phases,” which imply a steady (and irreversible) progression through time.

## **Appendix A: Cascade County Direct Expenses Related to COVID-19 Response**

### Employee Overtime:

- Deputy sheriffs and acting Director of Disaster and Emergency Services (DES)
- DES staff operating the Emergency Operations Center (EOC)
- Cascade County Health Department (CCHD) staff providing direct response services
- Detention staff responding to overcrowding created by Governor's no-transfer order
- Aging Services staff
- IT Department setting up remote work capacity for employees via VPN
- Various departments responding to requirement to keep at-risk employees out of workplace

### Additional Employee Costs:

- Adding part-time nurses for CCHD contract tracing
- Replacing at-risk volunteers with county staff for Meals on Wheels (MOW) program
- County IT support for district court and county attorney's office for video-conferenced hearings
- Fully compensating non-working employees to lessen economic impact of COVID-19
- Compensating nonproductive hours for employees when the work they can accomplish from home requires fewer hours than their normal shifts

### Additional Supplies and Equipment:

- PPE for first responders (additional and replenishment PPE)
- Miscellaneous expenses for the opening of the EOC
- Cleaning supplies, hand sanitizer stations in district courtrooms, retrofitting of teller areas to provide protective shields
- Food and supplies responding to increased MOW demand; MOW delivery supply changes
- Increased mileage on county light vehicles due to one-employee-per-vehicle restriction

### Additional Technology-associated Costs of Reducing Face-to-Face Contact with Constituents:

- Purchase and installation of 18 camera/microphone units for district court proceedings
- Polycom Real Presence units and licenses for district court hearings
- 30 additional laptop computers for work-from-home accommodations
- 41 additional PC camera/microphone devices for online county meetings
- Assumption of printing costs for documents attorneys now file by email to the Clerk of District Court, rather than hand-deliver
- Installation of additional public-facing software in Treasurer's office, requiring additional staff time to process titles, additional IT support and training

### Other Significant and Unavoidable Expenses, Current and/or Projected:

- Continued incarceration of post-adjudication State prisoners that the Department of Correction has refused to accept in response to Governor's no-transfer order.
- Operational changes affecting staffing and facilities in district courts – screening at entrances, larger jury pools, physical separation of potential jurors (technically, these are obligations of the State; historically, however, they have been left to the County)

## Other Cascade County Budget Impacts Not Addressed by CARES Act

### Loss of Revenue, Current and Projected:

- Cancellation of all rental contract revenue at Montana Expo Park in response to ban on large-group gatherings (March and April thus far)
- Postponement until 2021 of national BMW Rally scheduled for June at Montana Expo Park
- Projected increase in delinquent taxes
- Projected decrease in county receipts for fuel taxes (State and BARSAs)
- Projected decrease in local option vehicle taxes collected
- Projected decreases in fees for service:
  - Planning – permits, variances and zoning changes
  - Clerk and Recorder – recording fees and documents
  - Clerk of District Court – filing fees and marriage licenses
  - Justice Court – fines and filing fees
  - GIS Department – maps and services
  - Public Works – approach permits and ROW access permits
  - Constable – fees for service due to ban on evictions, foreclosures and slowdown of civil processes
  - Aging Services – substantial decrease in user fees for all programs (which are used as matching funds for grants)
  - City County Health Department – septic permits and restaurant inspections
- Revenue reductions:
  - Senior Centers – revenues significantly reduced because ban on gathering has reduced program-generated revenue on which centers rely, especially congregate meal program
  - Service Provider for Detention Phone Service – in response to cancellation of face-to-face visitation at detention center, County reduced cost of inmate phone calls, which in turn reduced revenue to service provider, which then reduced provider payments to County

### Potential Significant Revenue Reductions:

- Any cancellation or reduction in scale of the Montana State Fair would have significant adverse impacts on Cascade County revenues.
- Any response by the Montana legislature to loss of state revenues that entails reducing the amount of entitlement share payments to local government would have significant adverse impacts on Cascade County revenues.
- If current market conditions are used in response to tax protests filed long before the COVID -19 pandemic and left unresolved due to the outbreak, impacts on County revenues will be significant. (For instance, Calumet has asserted that the property value of \$537,313,793 assigned by the Department of Revenue in 2017 is overstated by approximately \$300 million. Calumet has paid its taxes under protest for the years 2017, 2018, and 2019.)

## **Appendix B: City of Great Falls Direct Expenses/Revenues Related to COVID-19 Response**

### Employee Time:

- Fire Chief and other staff operating the Emergency Operations Center (EOC)
- IT Department setting up remote work capacity for employees
- Various departments responding to requirement to keep at-risk employees out of workplace
- HR, Payroll, and supervisors tracking costs of Family First Coronavirus Recovery Act

### Other Expenses:

- COVID-testing of City waste stream (\$3,600)

### Additional Supplies and Equipment:

- PPE for first responders (additional and replenishment PPE)
- Miscellaneous expenses for the opening of the EOC
- Cleaning supplies, hand sanitizer
- Increased mileage on City light vehicles due to one-employee-per-vehicle restriction.

### Additional Technology-associated Costs of Reducing Face-to-Face Contact

- Zoom, NetMotion, Splash licenses for assorted City meetings
- 30 additional laptop computers for work-from-home accommodations
- Total remote-work technology expenses as of April 22 - - \$32,216

### Loss of Revenue, Current and Projected:

- Cancellation of all revenue at Mansfield Center/Civic Center in response to ban on large-group gatherings (March - June thus far)
- Loss of parking meter revenues
- Projected increase in delinquent taxes
- Projected increase in unpaid utility bills
- Projected decrease in city receipts for fuel taxes (State and BARSAs)
- Projected decrease in local option vehicle taxes collected
- Projected decreases in fees for service:
  - Planning – building permits, variances and zoning changes
  - City Court – fines

- Parks and Recreation – revenues from swimming, recreation center, camps, multi-sports softball
- Public Works – sanitation revenues from vacant building rates (approx. \$770 so far)
- Animal Shelter – animal licensing and misc. fees (approx. \$10,000 so far)
- Reduction in deferred prosecutions

Potential Significant Revenue Reductions and Related Impacts:

- Any response by the Montana legislature to loss of state revenues that entails reducing the amount of entitlement share payments to local government would have significant adverse impacts on City revenues.
- Deferring property tax payments, rather than providing funding for distressed homeowners/businesses to make tax payments, jeopardizes bond ratings and cash flow for the City.
- Continued loss of revenue for unpaid water/sewer utilities jeopardizes bond support for required EPA/DEQ mandates.
- If current market conditions are used in response to tax protests filed long before the COVID -19 pandemic and left unresolved due to the outbreak, impacts on City revenues will be significant. (For instance, Calumet has asserted that the property value of \$537,313,793 assigned by the Department of Revenue in 2017 is overstated by approximately \$300 million. Calumet has paid its taxes under protest for the years 2017, 2018, and 2019.)

## Appendix C: COMMUNITY CARES in ACTION

*To give the Task Force a glimpse of how the funding requests in “The Community That CARES Together” document might look “on the ground,” the Chamber, Great Falls Development Authority, and Great Falls Tourism provide these examples.*

### Immediate Safety Net/Business Stability

- An immediate grant program to help small businesses survive the loss of revenue, filling the gaps that current federal programs have left unfilled.

Example: The Great Falls Business Improvement District could put \$250,000 to work with a small grant program to help struggling businesses with their rent or mortgage payments through the end of the year.

- Loan and equity capital to existing economic development revolving loan funds to be used to help get business startups, retention and expansion, and real estate development projects going that can be launched this year.

Example: With \$4 million to fill the project’s funding gap, Great Falls Development Authority could get the \$30 million Great Falls North Apartments project (creating 216 units of high-quality workforce housing) into construction this summer.

- Grant funds to communities and economic development organizations for infrastructure projects that can be under construction this year supporting economic recovery.

Example: Infrastructure for phase 3 of the Great Falls AgriTech Park is ready to put out to bid and could be completed this summer with \$2.3 million in grant funds.

### Tourism/Hospitality Jump Start

- Grant funding to invest in technology advancements to enhance the visitor experience with less touching and confined space.

Examples: 360 virtual tours, enhanced google listings with branded street views and eye-catching listing details, improved technology at convention centers to accommodate virtual keynotes, biometric upgrades to include digital hotel check-in, digital room keys, touch-free payments, and pre-ordered meals, and more.

- Infrastructure funds to improve convention venues or develop venues that can host mid-size events with enhanced technology services and better social distancing.

Example: A local business devises video, sound, internet, lighting, stage, registration, seating and food delivery to accommodate 300-1200 people with less contact.

- Funds granted to local and regional tourism promotion organizations to develop and launch marketing campaigns that complement state marketing efforts..

Example: Great Falls Tourism launches a new campaign for a local “staycation,” customized to whatever level of COVID restriction is in place.

## Montana Governor's Coronavirus Relief Fund Advisory Council Incentive Pay for Healthcare Workers

1. *Direct care workers are risking their lives: they are more likely than the general population to be exposed to Covid-19 and, when exposed, are more likely to face severe Covid-19 complications.*
  - Long-term care workers are more likely than the general population to be at high-risk for severe Covid-19 complications.
    - 43% of all health care workers are either over age 60 or have pre-existing conditions that put them at risk for severe Covid-19 complications.<sup>1</sup> For example, 30% of personal care assistants (PCAs) are over age 55<sup>2</sup>.
    - More than 20% of direct care workers are uninsured, which means they are more likely to have untreated chronic health conditions.<sup>3</sup>
  - Nationally, health care workers have contracted and are dying from Covid-19.
    - Although testing is so inadequate that complete infection and death counts are not available, CDC officials estimates that healthcare workers account for about 11% of all Covid-19 infections.<sup>4</sup>
    - More healthcare workers are experiencing severe Covid-19 complications than might be expected based on their age. Scientists hypothesize that this may be because their close and sustained interactions with infected patients increases the concentration of their exposure to the virus.<sup>5</sup>
  
2. *Many direct care workers make low wages and live paycheck-to-paycheck, such that incentive pay of a few dollars per hour may have a significant impact on their decision about whether to assume the risk of continuing to work.*
  - In Montana, according to the Bureau of Labor Statistics (BLS), on average, personal care assistants make \$25,250 per year and certified nursing assistants make \$29,110 per year.<sup>6</sup> For context, a single adult in Missoula needs \$23,862 to pay the minimum living expenses, while an adult with one child needs \$51,919.<sup>7</sup>
  - Nationally, 1 in 6 direct care workers live in poverty.<sup>8</sup>
  
3. *Increasing the pay of healthcare workers stimulates the economy overall.*
  - Low-wage workers tend to spend all of their income to meet basic needs, like paying rent and putting food on the table.
    - According to the 2018 Bureau of Labor Statistics' Consumer Expenditure Survey, households making \$50,000 - \$69,999 spend 76% of their pre-tax income. By contrast, households making \$30,000 - \$39,999 spend 107% of their pre-tax income.<sup>9</sup>
  - Their necessary additional purchases of local goods and services generate local economic stimulus. Research has found that for every additional \$1 / hour added to the minimum wage, low-wage worker households spend an additional \$2,800 per year, which can be a source of jobs in the local economy.<sup>10</sup>
  
4. *Female healthcare workers, especially women of color, are doing the bulk of the work to care for Montanan residents. They are experiencing more than their share of the health consequences of Covid-19 and are more likely to be struggling with childcare challenges during school closures. Their labor and sacrifices during this crisis should be compensated.*

- 86% of direct care workers are women.<sup>11</sup> Almost half of direct care workers (48%) are women of color.
- Among healthcare workers who have fallen ill from coronavirus, 73% are women.<sup>12</sup>
- One in four direct care workers are single mothers, who are more likely to experience challenges and costs associated with childcare during school closures.<sup>13</sup>

5. *Other states have adopted hazard / incentive pay for front-line healthcare workers, including:*

- In Maine, state employees working in state mental health and correctional facilities will receive \$3-\$5 / hour hazard pay because of the public health crisis.<sup>14</sup>
- In Massachusetts, state hospitals and group homes will be getting a pay increase for the duration of the Covid-19 health emergency.<sup>15</sup> People licensed (e.g. CNAs, RNs) as direct care workers will get hazard pay of \$10 / hour. All other workers will receive \$5 / hour increases.
- In West Virginia, the governor issued grants to each of 55 counties in the amount of \$100,000 each to use at their discretion to reward “hero pay” for front-line personnel and first responders, including healthcare workers.<sup>16</sup>

ECONOMIC EFFECTS ON GUIDING/OUTFITTING IN MT  
RESULTING FROM MT SHELTER-IN-PLACE & QUARANTINE ORDER FOR TRAVELERS

~The guiding/outfitting season typically begins in March, just when the shelter-in-place order was put into effect

~Outfitters were receiving trip cancellations from out of state clients in early March for trips booked into early June because of fears of travel issues due to coronavirus

~Outfitters take deposits on future booked trips in order to financially secure the date for their guides. There is a period of time before the trip (determined by the outfitter and lined out in their contract with the client) where the client can cancel their trip and still receive their full deposit. Outfitters use these deposits to pay bills and prepare for the upcoming season. In the past, if a trip cancelled, the outfitter would not have an issue in covering the single deposit. This year it has become a financial nightmare for outfitters refunding 10, 20 or 50 deposits. So in addition to not guiding and making the remainder of the trip fee, the outfitter is hemorrhaging money to cover the cancelled trips. It is predicted that the effects of this will be felt by the outfitter until 2022 due to some of the trips being rolled over into next year and that taking up a day that the outfitter could have booked this year to be performed next year, in essence, eliminating a day that could have been booked by an additional client. (This can be confusing to grasp, I can give further detail if needed.)

~Some clients are rescheduling their trip either for later this season or for next year rather than cancelling. This in effect takes up a date that is typically booked by a person later in the season at the last minute and reduces the revenue potential of the outfitter and guide.

~Guides and outfitters have no significant means to move their work craft to an on-line method. The guide/client experience is very personal and in-person of nature.

~Even with the eased restrictions that we will start seeing on 4/27, guides and outfitters will not be able to enjoy full business as the 14 day quarantine for out of state travelers is still in effect and is amplified by the insecurity of out-of-staters jumping on a plane to get here. Many clients that guides & outfitters serve are from out-of-state.

~Fly shops are experiencing revenue loss due to being considered non-essential and closed their doors at the latter end of March as they were considered non-essential. They have inventory on their shelves that have "expired" in that those particular flies were useful in March and April and won't be used again until next spring. A majority of fly shops are owned by outfitters and thus they are experiencing a double-whammy in their finances. These fly shops see a combination of in and out of state residents shopping with them. They will also see a decline in sales for these next months that they are open due to fewer out-of-staters visiting the state and shopping.

~Some fly shops were able to sell a bit of inventory on-line, but it was still limited. Fly shops typically serve immediate gratification purchases; selling shuttles, flies that the fish are eating at that time, providing goods that the traveler may have forgotten at home or want to upgrade, and being a “guide” for the customer in giving current information on what the fish are eating fly-wise and where they’re holding. In the complete closure of non-essential businesses, the fly shops lost out on these sales for the month of April.

~Historically, guides and outfitters make the most of a spring/summer/fall season to earn their salary. Some will pick up a gig job for the winter with the expectation that they will return to their passion come spring. Some make enough in the season that they do not need to work in the winter. This season, because of its shortened length with the closure in March & April, and the limited opportunities with the month of May, the insecurity of travel from out of state between now and fall and the potential resurgence of the virus this fall will be severely crippling.

~Guides are typically independent contractors (IC’s) and outfitters are self-employed. Both of which originally did not qualify for unemployment or for the PPP from the SBA. As of 4/22, the DOL finally started accepting unemployment claims from IC’s, self-employed and sole proprietors but these individuals have not yet received any funds.

~In addition to creating revenue for the guiding/outfitting industry, guiding and outfitting generates revenue for many other industries in MT and the clients spend more time in MT than other tourists. This industry makes a big revenue impact while requiring fewer resources. Another way to put it, the return on investment into guides and outfitters gets a bigger return. The other agencies and industries that experience benefit from outfitting:

- Shuttle services
- Restaurants
- Bars
- Gas stations
- Hotels & lodges
- House cleaning companies
- Airports (Bozeman, Helena, Missoula, Billings)
- Sporting goods stores (Bob Wards & Sons, Capital Sports, Scheels, et al)
- MT Manufacturers: Simms, Adipose Boatworks, Winston Rods, MT Canvas (boat covers) and more
- MT FWP from license fees of clients and commercial use fees from guides & outfitters
- Trailer and tire shops

~It is difficult to predict what the labor market will look like once people can go back to work. Due to possible permanent closure of some businesses, there will already be a larger pool of people to choose from to fill open positions in open businesses. If a guide decides to look for

other work, the employment options may be low to none based upon their specific skill set for the immediate future.

# ***Indian Country Recommendations for Montana Coronavirus Relief Fund Taskforce***

Taskforce Members Jason Smith and Casey Lozar hosted calls with several tribal institutions, organizations, non-profits, tribal entrepreneurs and leadership of several tribally owned enterprises. A call with tribal councils representatives will take place on Monday, April 27<sup>th</sup>. Below are some relevant takeaways from the discussions and recommendations to be considered by the taskforce and Governor Bullock.

## ***Two Overarching Insights from Meetings with Tribal Officials***

### **1. Navigating a Patchwork of Relief Funds**

Phase 1-3 of COVID-19 provided specific set-aside funds from tribal governments and communities. The general focus of use of funds for early round relief funds in Indian Country focus on support for public health—access to test kits, public education about the virus and best practices like social distancing, funding for PPE. Due to challenges with releasing these funds through government bureaucracy, to date many of these funds haven't reached tribal institutions. Tribal groups are rapidly learning about the resources available to them and organizing their budgets and expenditures to align with a host of different programs. This is one of the biggest challenges noted in our calls with tribal officials. For example, several funding programs allow purchasing of PPE and tribal organizations are trying to divide their PPE needs across a variety of programs and their required applications and anticipated reporting.

### **2. Keeping Access to and Reporting on Funds Simple:**

Across the tribal officials we talked to there was a consistent chorus—keep access to funds simple and flexible. As noted above, there are several funding pots exclusively available to tribal communities yet many of the resources haven't made it to Indian Country because of bureaucratic roadblocks. The funds that do make it to Indian Country will be cumbersome to report back on, thus limiting the ultimate effectiveness of "relief" funds. Montana CRF funds should remain simple with:

1. Short and straightforward applications to ensure all constituents can access the resources, not just the ones who have the most capacity to apply
  2. Agile: There is much uncertainty in what impact the virus will have in Montana over the next few months. Should constituents apply for relief funds for a specific purpose and their context changes, we should be able to allow them to deploy the resources in the most effective way they seem—as long as it ties to the purposes of the funds and Treasury guidelines.
  3. Technical Assistance: Many of the constituents most impacted by the pandemic are those with limited capacity. Providing technical assistance through existing channels (economic development corporations, small business advisors, industry associations, etc.) will level the playing field for those needing support.
-

## **Indian Country Recommendations**

### **Tribal Public Health Recommendations:**

1. A program that provides funds for urban Indian health clinics to purchase food for the homeless, unemployed and itinerant Indian populations.
2. A grant program that will allow urban Indian clinics to update facilities to accommodate positive cases and to continue offering traditional services, simultaneously.
3. A program or service that allows clinics to purchase laptops, tablets and smart phones to be used by patients in their homes or in homeless shelters. Access to free high speed internet to make the connection between patients and health experts is critical to the success of telehealth for Indians in urban areas.
4. Provide grants to urban clinics to pay for additional space needs and counselors to provide real-time counseling for increased patient load.
5. Ensure urban clinics are able to access funds for cleaning facilities in the short and mid-term.
6. Ensure urban clinics can access test kits and are trained on how to administer tests and report outcomes to public health officials.
7. A program that provides funds to cover the increase in payroll expenses due to hiring additional public health workers.
8. For mid-term funding, set aside resources for quick building of isolation and housing facilities in tribal communities.
9. Include a flexible and simple program or funding for tribal health directors to access should they be unable to quickly acquire PPE through current federally funded programs.
10. Ensure tribes are integrated in the statewide contact tracking systems that may be developed.

### **Tribal Colleges Recommendations:**

1. Increase access to broadband in tribal communities for students to access coursework and instruction. Funding to allow tribal colleges to purchase additional laptops and hotspots for students and faculty.
2. Provide access to funding to mitigate losses on increased campus-wide cleaning in the summer and into the fall semester.

### **Tribal Business Community:**

1. Provide flexible grant and/or loan funds that are accessible through simple applications. It is highly recommended that set aside grants for tribal businesses are prioritized. Department of Commerce, through its Indian Country Economic Development Office, already has a grant program and an application process that would be able to deploy funds quickly to tribal businesses. \$2M set aside with some limitations regarding grant size is recommended.
2. Native-owned businesses in the Agriculture Industry would need more access to state funding for those producers having a difficult time accessing FSA loans. The MT Department of Agriculture and Department of Commerce are vehicles to assist in grants and loans.
3. Include tribal casinos eligible for PPP from the State of Montana.

**Specific Feedback from Tribal Public Health Officials, Tribal Colleges and  
Business Community**

Tribal Public Health

Telehealth:

Taskforce members held calls with tribal health directors as well as urban Indian health clinic directors. The five urban Indian health clinics in Montana are registered with the IRS as non-profit institutions. They are able to access some resources from the Indian Health Service but because they are not a part of tribal governments, their access to a panoply of resources is limited. In particular, these clinics are unable to access resources through FEMA and CDC.

1. Urban Indian health clinic directors shared they have a significant need for food. These centers serve as a central point for urban Indians and many urban areas have a high rate of Indian homelessness. The funds they are able to access through the Indian Health Service do not allow for purchase of food. Being able to purchase food for those who have lost their jobs and are homeless is a critical basic need that can be supported through the urban clinic network and strong reputation.

Recommendation: A program that provides funds for urban Indian health clinics to purchase food for the homeless, unemployed and itinerant Indian populations.

2. Urban Indian health clinics are in need of basic infrastructure updates that will assist them in safely supporting an increase of clients should the number of cases increase in the coming months. In particular, there is a need to update or fashion isolation units to accommodate clients with positive cases as they transition into hospitals that have more advanced capacity for treating patients. Ventilation systems either don't exist or need to be updated to accommodate multiple patients in the urban clinics. These updates to clinic infrastructure should tie directly to unanticipated expenses and increase client volume due to the COVID-19.

Recommendation: A grant program that will allow clinics to update facilities to accommodate positive cases and to continue offering traditional services, simultaneously.

3. The Urban Indian Clinics endured loss of revenue due to COVID-19 (3<sup>rd</sup> party billing.) Patients visits have decreased by approximately by as much as 60%, while implementing telehealth and other platforms for medical and counseling billing. This loss generates closely to \$1,200 per day.

Recommendation: Allowing funding to reimburse or cover the losses for incurred by the Urban Indian Health facilities due to COVID-19, which has operational impacts.

4. Telehealth: Urban Indian health clinics have begun developing their capacity to offer telehealth in their urban areas—varying capacity exists among the five urban clinics. The primary challenge they face to effectively monitor and treat patients through telehealth is the limited resources patients have to tap into the clinic’s technology. It was reported that many patients lack smart phones, tablets, laptops and internet connectivity to speak with health experts at the clinics.

Recommendation: A program or service that allows clinics to purchase laptops, tablets and smart phones to be used by patients in their homes or in homeless shelters. Access to free high speed internet to make the connection between patients and health experts is critical to the success of telehealth for Indians in urban areas.

#### Increased Mental Health Support Services

Urban Indian health directors across the board noted they have seen an increase in substance abuse and substance abuse counseling at their clinics. One clinic shared that last week they had to split their substance abuse patients into two groups because they had so many clients they were unable to follow the national guidelines of 10 clients in a single group. Additionally, they have reported an increase in child abuse and domestic violence within the clinics’ network. Overall, mental health services need to be expanded to accommodate the increased demand in their urban community.

Recommendation: Provide grants to urban clinics to pay for additional space needs and counselors to provide real-time counseling for increased patient load.

#### Cleaning and Disinfection:

Urban clinics have increased the frequency of thorough/deep cleaning. This has drastically increased the costs of keeping facilities ready for patients.

Recommendation: Ensure urban clinics are able to access funds for cleaning facilities in the short and mid-term.

#### Access to Test Kits and Training:

It appears that urban clinics do not have access to test kits even though they are often the first facility urban Indians face when they become sick. Two clinics are interested in building a temporary, drive-through testing tent for patients.

Recommendations: Ensure urban clinics can access test kits and are trained on how to administer tests and report outcomes to public health officials.

#### Tribal Health Needs and Recommendations:

##### Unanticipated Payroll Costs:

Tribal Health directors reported that they have needed to increase the number of security guards that are securing their facilities and transporting clients to hospitals outside their community. IN particular, there has been a significant increase in mental health cases and these clients are being transported by

security guards to facilities around the state. Additional paramedics have been hired to deal with the increase in the number of cases primarily due to mental health, substance abuse, youth crimes and domestic violence. Blackfeet for example has had to hire four more paramedics in the short term.

Recommendations: A program that provides funds to cover the increase in payroll expenses due to hiring additional public health workers.

#### Isolation Units and Patient Housing:

With few cases in tribal communities, tribal health directors reported that they are making initial plans for how to deal with a surge in cases—particularly building isolation units and housing for infected patients. This isn't a current need for this but should there be an increase in cases tribal health directors will need to provide these facilities.

Recommendation: For mid-term funding, set aside resources for quick building of isolation and housing facilities in tribal communities.

#### PPE:

Tribal health directors need additionally PPE to accommodate for the potential surge of patients. They are able to access FEMA, CDC and Indian Health Service funds to purchase this equipment but are having a difficult time navigating the requirements of each individual program.

Recommendation: Include a flexible and simple program or funding for tribal health directors to access should they be unable to quickly acquire PPE through current federally funded programs.

#### Telehealth:

Similar to urban Indian health clinics, tribal health directors are building their internal capacity to offer telehealth to patients. The biggest need for an effective telehealth system is patients not having access to technologies and internet to connect with health experts. These include not have smart phones, laptops, tablets and high speed internet.

Recommendation: Allow funds to be used to purchase loaner IT equipment for patients and pay for temporary internet connectivity.

#### Increased Testing and Contact Tracking:

Tribal health directors are working to access testing kits through federal funds. The currently do not have sufficient equipment to handle an outbreak. Additionally, tribal health directors want to build their capacity for contact tracking should cases increase in their community.

Recommendation: Ensure tribes are integrated in the statewide contact tracking systems that may be developed.

#### Domestic Violence:

Directives and tribal resolutions have been established to encourage people to work and stay home as much as possible for health reasons and prevention of COVID-19. Domestic violence and crime has

increased throughout tribal communities. The tribal law enforcement is already underfunded and understaffed so dealing with a pandemic along with violence and crimes has increased work for law enforcement.

Recommendation: Allow for funding to flow to tribal programs to address domestic violence and assault, increase resources to law enforcement, and paramedics.

#### Tribal Colleges:

Tribal colleges were included in CARES Act funding and carve out resources are currently being applied for. Many of the colleges initial needs appear to be covered through these funds though the presidents are concerned about tracking the funds through various programs and the added reporting requirements.

#### High Speed Internet Access:

Tribal college coursework is being conducted remotely and many tribal college students do not have access to the internet or to the equipment needed to fully participate in the curriculum.

Recommendation: Increase access to broadband in tribal communities for students to access coursework and instruction. Funding to allow tribal colleges to purchase additional laptops and hotspots for students and faculty.

#### Cleaning and Disinfection:

Tribal college facilities are currently shutdown with teaching/learning happening remotely. As classes, potentially over the summer session, return to campus significant costs will be incurred for more frequent and comprehensive cleaning.

Recommendation: Provide access to funding to mitigate losses on increased campus-wide cleaning in the summer and into the fall semester.

### **Tribal Businesses and Economic Developers**

20+ attendees representing individual businesses, tribal enterprises and tribal economic developers reported lost revenues, increase in equipment costs for work from home employees and anxiety about the upcoming tourist season. The taskforce has already prioritized a MT PPP program and making grants available to businesses. The feedback we received from the tribal business community align with the support provided through a prospective PPP and grant programs.

PPP Program: With the shutdown of Montana's community through social distancing and shelter in place directives, many highly exposed service sector businesses have either had to shut down, immediately furlough or lay off staff. One of the key issues of the national SBA PPP program is that many businesses have already made staffing decisions and are not positioned to restart their businesses. This ultimately leaves a large share of businesses unable to access national program which requires businesses to maintain staff and payroll. If Montana initiates its own PPP-like program, flexibility on

maintaining staff will need to be considered otherwise we may unintentionally leave behind the most impacted, vulnerable businesses.

Additionally, the PPP program requires employers to access relief through a forgivable loan with an eligible lender. I highly recommend that Montana learns from the problems in the SBA PPP program in that they limited the types of lenders that can provide loans. This left much of rural America and inner-city employers out of program. I highly recommend we allow for all Montana lending institutions-traditional lenders, credit unions, CDFIs, non-banks, eligible to provide the loans through simple application.

### **Tribal Government**

Tribal governments concerns are echoed throughout the specific buckets mentioned in this document. The various revenue sharing agreements will reflect losses due to the Coronavirus. They request funding to be considered to lessen the financial hardship to the loss of revenue.

Tribal leaders support the establishment of a PPP program or set aside for native-owned businesses to offset loss of jobs and business revenue. They are concerned to the lack of relationship with banking institutions will also be a barrier to accessing financial relief. We have programs in place in the Department of Commerce and/or Native Certified Financial Institutions that can serve as a vehicle to assist in the programming.

**Sassano, Amy**

---

**From:** Patrick Flowers <patflowersformontana@gmail.com>  
**Sent:** Friday, April 24, 2020 3:39 PM  
**To:** GOV CRF  
**Cc:** Schafer, Adam  
**Subject:** [EXTERNAL] Governor's Relief Fund Advisory Council -- working draft  
**Attachments:** B284.pdf; ATT00001.txt

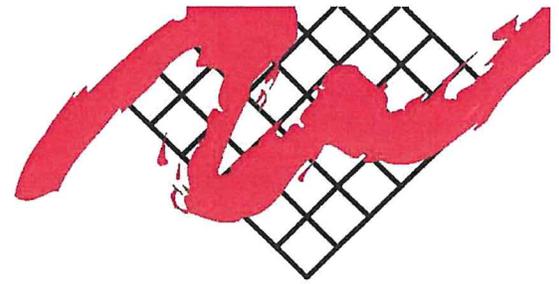
Greetings,

Senator Sesso shared the working draft produced by the Governor's Relief Fund Advisory Council. It looks like a comprehensive approach for allocating relief funds. I noted one important omission. I do not see any reference to addressing the need for sick leave and health insurance needs for hourly workers who will be resuming work at retail shops, bars and restaurants. If we do not fill that gap we will be, in effect, encouraging workers to get on the job when they may be infectious with the coronavirus. A review of infectious spread of the H1N1 virus concluded that about 27% of the spread was caused by workers showing up to work sick, because they had no sick leave and health coverage (see attachment). I also think we should be providing some further assistance to our vulnerable population who may not feel safe returning to work for fear of contracting the coronavirus.

Thanks for considering my thoughts, and thanks very much for your important work on the task force.

Sincerely,

Pat Flowers  
Montana State Senator — SD 32



# Briefing Paper

IWPR No. B264

February 2010

## Sick at Work: Infected Employees in the Workplace During the H1N1 Pandemic

Robert Drago, Ph.D., Pennsylvania State University, and Kevin Miller, Ph.D.

### Executive Summary

- On the basis of data from the Centers for Disease Control and Prevention (CDC) and the Bureau of Labor Statistics (BLS), almost 26 million employed Americans age 18 and older may have been infected with H1N1 during the months of September through November 2009, the peak months of the pandemic to date. Almost 18 million employees took at least part of a week off in response, meaning about 8 million employees took no time away from work while infected.
- Work attendance by infected employees is a public health issue due to contagion: employees who attended work while infected with H1N1 are estimated to have caused the infection of as many as 7 million co-workers.
- The United States is one of the few developed nations without universal paid sick days. The vast majority of public sector employees receive paid sick days, but two of five private sector employees have no access to paid sick days, leaving the nation ill-prepared for the H1N1 “swine flu” pandemic or for future outbreaks of contagious diseases.
- The data suggest that more than 90 percent of public sector employees, but only 66 percent of private sector employees, took time away from work when infected with H1N1 despite admonitions to remain home if ill, implying that many more private sector employees felt that it was necessary to attend work while ill.
- Absence due to illness during the H1N1 pandemic reached its peak in October. Absences fell in November, but the drop in absence rates between October and November was twice as steep in the public sector as it was in the private sector, suggesting that contagion was less common in the public sector. Presenteeism—attending work while ill—among private sector employees without paid sick days may have extended the duration of the outbreak in that sector.
- Though data are lacking regarding absences from school or child care, it is likely that similar patterns of absence could be found among children and students according to whether their parents have access to paid sick days to care for family members.

## Introduction

During the recent flu pandemic, workers were urged to stay home when ill. Many employees in the U.S., however, either cannot take leave when they or a child are sick or do not receive pay for doing so, forcing them to choose between their paycheck and the health of their children, customers, coworkers, and selves. 2009 Bureau of Labor Statistics survey data reveal that two of five private sector workers lack paid sick days coverage, though 89 percent of state and local government employees and virtually all federal workers receive paid sick days.

This paper uses data from the U.S. Centers for Disease Control and Prevention (CDC) and the U.S. Bureau of Labor Statistics (BLS) to estimate the number of infected workers during the H1N1 pandemic's fall 2009 peak, looking separately at the public and private sector workforces. Findings suggest that workers in the public sector, where paid sick leave coverage is usually provided, were more likely to stay home when ill with H1N1 compared with workers in the private sector, where paid sick leave is less common. The analysis also suggests that flu pandemics may be resolved more quickly when access to paid sick leave reaches the near-universal rates seen in the public sector. Addressing the gap in paid sick days coverage among private sector workers could result in a reduction in the number of Americans affected by seasonal and pandemic disease outbreaks.

## Methodology

The number of H1N1 infected employees at work during the pandemic is estimated using weekly data from the CDC on the spread of the virus among adults and data gathered monthly by the BLS in reference to absence from employment during a particular week. Weekly data are appropriate for analyzing the pandemic because fever from the infection typically lasts 2-4 days, and the CDC recommends that individuals remain at home for 24 hours after the fever subsides, yielding an average time when individuals should not be at work (or school or child care centers, as well) of 3-5 days (CDC 2009a). At present, estimates are available for matched weeks including September 6, October 11, and November 8, all in 2009. Infection rates rose steadily during the month of October, peaking in the last week of that month, before a steady decline to levels around one-quarter as large by the end of November.

The method utilized to estimate the number of employees at work during a particular week while infected with the H1N1 virus relies upon a comparison of weekly CDC data on the spread of the virus and monthly data on missing work due to illness taken from the Current Population Survey. The estimates for particular weeks can be projected to figures for the relevant month. Comparisons are made between absence rates in the public sector, where paid sick days are a near-universal benefit provided by employers, and the private sector, where two out of five workers have no access to paid sick days (BLS 2009).

## Estimating Weekly Adult H1N1 Cases

The CDC began tracking the H1N1 flu after two initial cases were identified in California on April 15 and 17 of 2009 (CDC 2009b). An estimate of the number of U.S. infections from April

to the end of July placed the total at around 3 million individuals for the four month period (Reed et al 2009). This figure represents a relatively low rate of infection compared to more recent figures (see below). However, a consistent estimation method was not developed until later (in part because hospital and laboratory reporting methods changed during the early stages of the pandemic), so the current data series begins with the week of August 30, 2009.

The latest CDC estimation method involves a linear projection of H1N1 cases from recorded H1N1 hospitalizations (CDC 2009c). From weeks 35 to 41 (August 30 thru October 17), the CDC estimates that 13,352,469 Americans, aged 18 years and older, contracted H1N1 influenza. In its regular reports, the CDC provides a breakdown of hospitalizations by week, with figures for the weeks beginning August 30 and ending October 17 as shown in the first two columns of Table 1.<sup>1</sup> Consistent with the CDC approach, the 13,352,469 cases are linearly allocated by week according to the number of hospitalizations during that week. Application of this method yields extrapolated weekly adult H1N1 cases as shown in the third column of Table 1.

Table 1. Estimated Number of Adults Infected with H1N1 During the Pandemic, By Week

<i>Week</i>	<i>Hospitalizations</i>	<i>Extrapolated H1N1 Cases</i>
35 (8/30-9/5)	413	548,168
36 (9/6-9/12)	532	706,115
37 (9/13-9/19)	813	1,079,081
38 (9/20-9/26)	952	1,263,573
39 (9/27-10/3)	1,599	2,122,326
40 (10/4-10/10)	2,231	2,961,168
41 (10/11-10/17)	3,520	4,672,036

Source: 2009 CDC data.

Comparing the hospitalization and case estimates reveals that hospitalizations are multiplied by 1327.283 to generate figures for adult cases.<sup>2</sup> Applying that same multiplier yields adult case estimates for more recent weeks as shown in Table 2. Because hospitalizations rose fairly dramatically, followed by a steady decline from week 44 to week 48, the total number of infected adults for the period ranging from August 30 through December 5 is estimated to be 44,450,708.

Table 2. Estimated Number of Adults Infected with H1N1 During the Pandemic, Recent Weeks

<i>Week</i>	<i>Hospitalizations</i>	<i>Extrapolated H1N1 Cases</i>
42 (10/18-10/24)	4,346	5,768,372
43 (10/25-10/31)	4,692	6,227,612
44 (11/1-11/7)	4,551	6,040,465
45 (11/8-11/14)	3,288	4,364,107
46 (11/15-11/21)	3,120	4,141,123
47 (11/22-11/28)	2,217	2,942,586
48 (11/29-12/5)	1,216	1,613,976
<b>Total, weeks 35 to 48</b>	<b>33,490</b>	<b>44,450,708</b>

Source: 2009 CDC data.

## Estimating Absence from Work Due to Illness Using Current Population Survey Data

The Current Population Survey (CPS), administered by the Bureau of Labor Statistics, references employment during the week including the 12<sup>th</sup> of each month, except in December when it covers the week including the 5<sup>th</sup>. So the September CPS reference week is week 36 in the CDC data, the October CPS reference week is week 41, and November CPS figures are for week 45.

Estimates of absence from work due to illness draw on several CPS items. First, respondents who were away from work during the entire reference week are asked why, and one response category is for “Own illness/injury/medical problems.” Second, individuals who report usually working full-time, but working part-time during the reference week are asked why, and one response category is for “Own illness/injury/medical appointments.”<sup>3</sup> These responses are independent, and are summed to represent absence due to illness. However, a third type of illness related data is needed to capture respondents who either scale back full-time hours without a reduction to part-time (e.g. usually work 60 hours, but only worked 40), or scale back part-time work (e.g., usually work 30 hours, but only worked 15). These respondents are not asked why their work hours were curtailed, so the proportion of full-time employees who scaled back to part-time for the week while reporting illness as the reason (as opposed to other reasons for absence) is applied to this group, using data from the same month to estimate the proportion. The logic for using this proportion, rather than figures for employees who were not ever at work during the reference week, is that the two groups both engaged in partial (rather than complete) reductions in the working week, so their reasons for absence should be similar. The reason for applying the proportion from the same month is that the proportion varies over time, and in part picks up (and should pick up) responses to the pandemic. Indeed, out of the group who usually work full-time but reported part-time during the reference week, only 3.5 percent reported doing so due to illness in September 2009, a figure that rose to 14.5 percent in October of that year, before declining to 12.0 percent in November.<sup>4</sup>

Results of estimates from the CPS for absence due to illness for the three relevant months are presented in Table 3. The absence proportion indeed seems to show a response to the pandemic, rising by over one full percentage point between September and October of 2009 before declining by approximately 0.3 percent in November. The absolute number of employees estimated to be absent due to illness rose by over 1.7 million between September and October of 2009 before declining by around 500,000 in November (CDC 2009d).

Table 3: Absence Due to Illness, All Employees, During H1N1 Pandemic Peak

<i>Month</i>	<i>Total Employment</i>	<i>Proportion Absent due to Illness</i>	<i>Number Absent due to Illness</i>
September	137,623,161	1.87%	2,576,030
October	137,588,327	3.17%	4,359,005
November	137,783,713	2.82%	3,885,570

Source: 2009 CPS data.

As a further check on the absence data, the sample of employees is broken down between the private sector (including non-profits) and public sector (including federal, state, and local governments). Private sector employment makes up about three-quarters of total employment in the U.S. and public sector employment just under 15 percent, while the self-employed, who are not further examined here, make up just over 10 percent of U.S. employment.

Rates of absence due to illness for the subsamples are presented in Table 4. The pandemic appears to have affected employees in both sectors, increasing their absence rates between September and October of 2009. However, the data also suggest that private sector employees may feel particularly pressured by their employers (and high rates of unemployment) to attend work, regardless of illness. The public sector rate rose by 84 percent (1.9 percentage points) between September and October of 2009 to a rate of 4.2 percent, while the private sector rate rose by 66 percent (1.2 percentage points) in October to a rate of 3.0 percent. Given that most public sector employees have job-protected paid sick days (Lovell 2004), it makes sense that they would be more likely than workers in the private sector to stay at home when infected with H1N1.

Table 4: Rates of Absence Due to Illness, by Employment Sector, During H1N1 Pandemic Peak

<i>Month</i>	<i>Private Sector</i>	<i>Public Sector</i>
September	1.83%	2.27%
October	3.04%	4.17%
November	2.77%	3.26%

Source: CPS data 2009.

Although data on both private and public sector employees show absence rates declining in November from their peak in October, this decline is less steep for employees in the private sector. The absence rate in the private sector in November decreased by only 8.9 percent (0.3 percentage points) of the October rate, while in the public sector the relative drop in absence between October and November was more than twice as steep, at 21.8 percent (0.9 percentage points). The absence rate remains higher among workers in the public sector, consistent with greater access to paid sick days, but the discrepancy in the drop-off may indicate that infections in the private sector continued at a higher rate than in the public sector as a result of presenteeism connected to lower rates of access to paid sick days.

The case for the contribution of paid sick days to hastening the decline of absences during flu season is bolstered in the historical data in Appendix Table 2. The relative drop in absence rates by April of each year (two months after the peaks in February of 2008 and 2009, four months after the December 2007 peak) is greater among public sector employees in each flu season:

- From February to April of 2009, the private sector rate declined by 27 percent (3.89 to 2.84 percent), while the public sector rate declined by 29 percent (4.71 to 3.35 percent).

- At the end of the most severe flu season in recent years, between February and April of 2008, the private sector rate dropped by only 28 percent (4.72 to 3.4 percent), while the public sector rate dropped by 38 percent (5.88 to 3.67 percent).
- From the December 2007 peak to April of 2008, the private sector rate declined by only 15 percent (3.71 to 3.17 percent), while the public sector rate declined by 27 percent (5.29 to 3.86 percent).

## Linking the Pandemic and Absence Due to Illness

The H1N1 figures provided in Table 1 are for all adults, so need to be adjusted by the employment-population ratio in order to estimate the number of H1N1 infected employees during the CPS reference weeks.<sup>5</sup> The September 2009 CPS data show a non-seasonally adjusted employment-population ratio among adults aged 18 years and over of 60.52 percent, with an October figure of 60.44 percent, and a November figure of 60.48 percent.<sup>6</sup>

The CPS is only administered to the civilian, non-institutional population, while the pandemic can affect anyone, so the employment-population ratios need to be adjusted downward to account for adults who are either military personnel or institutionalized. Relevant adjustments result in a September 2009 figure of 59.13 percent, an October figure of 59.08, and a November figure of 59.12.<sup>7</sup>

Applying these figures to the estimated number of adult cases of H1N1 in weeks 36, 41 and 45 (from Table 1), yields an estimated 418,566 employees infected during the September reference week for the CPS, 2,761,613 employees infected during the reference week for October, and 2,580,060 infected employees for the relevant week in November. For those same weeks, the CPS data yield estimates of 137,623,161, 137,588,327, and 137,783,713 employed adults, respectively. Therefore, an estimated 0.304 percent of employees were afflicted with H1N1 during the relevant September week, 2.007 percent were so afflicted during the reference week for the October CPS, with 1.873 percent for the November CPS.

Does absence due to illness in the CPS reflect the expansion and decline of the pandemic between September and November? A direct approach to answering this question involves regressing the proportion of employees absent due to illness against a constant term and the proportion of employees infected with H1N1 during the reference weeks for September, October and November. Doing so yields an infection coefficient of .694, implying that just under 70 percent of infected employees were absent from work while infected (see Table 6). The t-statistic for the infection coefficient is over 5.2, and while that is insignificant, the adjusted R-squared figure for the regression is .929, suggesting a high degree of explanatory power for this simple model.

To obtain estimates for the entire three month period, it is assumed that the employment-population ratio is stable across weeks for each month, and that the proportion of infected employees attending work is constant as well at 69.6 percent. Because weeks 35, 39 and 48 spans portions of two months, weeks 35 and 48 are weighted downward to reflect the number of days in the relevant month (5 in September and 2 in November). For week 39, spanning

September and October, the figure is weighted by the relevant employment-population ratios, with 4/7 allotted to September and 3/7 to October.

Applying the adjusted employment-population ratio to figures provided in Tables 1 and 2 results in the estimated weekly numbers of infected employees shown in Table 5. These numbers are split between employees estimated to have been absent, and those who were not absent while infected and contagious. The totals, found at the bottom of the table, suggest that almost 26 million employees were infected with H1N1 during the months of September, October and November; almost 18 million stayed away from work in response, but almost 8 million employees were at work while infected.

Table 5: Estimated Employee H1N1 Infections, Absence and Attendance at Work, September-November 2009

Week	Infected Employees	Infected and Attended Work	Infected and Absent
35 (partial Sept)	231,523	70,383	161,140
36	417,526	126,928	290,598
37	638,061	193,970	444,090
38	747,151	227,134	520,017
39	1,253,870	381,177	872,694
40	1,749,458	531,835	1,217,623
41	2,760,239	839,113	1,921,126
42	3,407,954	1,036,018	2,371,936
43	3,679,273	1,118,499	2,560,774
44	3,571,123	1,085,621	2,485,502
45	2,580,060	784,338	1,795,722
46	2,448,232	744,263	1,703,969
47	1,739,657	528,856	1,210,801
48 (partial Nov)	272,624	82,878	189,746
<b>Totals</b>	<b>25,496,749</b>	<b>7,751,012</b>	<b>17,745,738</b>

Source: Author calculations, 2009 CDC and BLS data.

Part of the problem with attending work while ill with H1N1 is that contagious employees will infect other employees. Lovell estimates from seasonal flu data that each infected employee attending work while ill will infect an additional 0.9 coworkers (2005). Given this assumption, the 7.8 million employees estimated to have attended work in September through November while infected in turn infected an additional 7 million employees.

Note that these figures may be over-stated, since a study found that 7 percent of hospitalized patients reported respiratory symptoms but not a fever due to H1N1 (CDC 2009e). However, a check for this phenomenon is available in the data, since we can compare results across the private and public sectors, while assuming that the vast majority of public sector employees who know they are infected will stay at home. Regressing the proportion of absent employees for the three reference weeks for all employees and within each sector against the proportion of all employees infected yields results as shown in Table 6.

Although some of the results do not achieve significance, which is not surprising given only three months worth of data, they are sensible. Over 90 percent of infected employees in the public sector, but only 66 percent of private sector employees are estimated to have stayed at home while infected with H1N1. The public sector results suggest that the vast majority of employees infected with H1N1 would have stayed at home if that were a viable option. Absent paid sick days legislation in the U.S., many private sector employees faced little choice and attended work while sick, thereby infecting others.

By implication, the vast majority of employees who attended work while infected with H1N1 – over 6 million – were employed in the private sector of the economy. Of the almost 4 million public sector employees who contracted the disease, less than 400,000 attended work while ill.<sup>8</sup>

Table 6. Linear Regression Results for the Proportion of Employees Absent within Employment Sectors by the Proportion Infected

	All Employees	Private Sector	Public Sector
Constant (t-stat)	0.017 (7.82)*	0.016 (10.88)*	0.020 (2.98)
Proportion infected coefficient (t-stat)	0.694 (5.24)	0.662 (7.08)*	0.912 (2.21)
Adjusted R-squared	.929	.959	.657

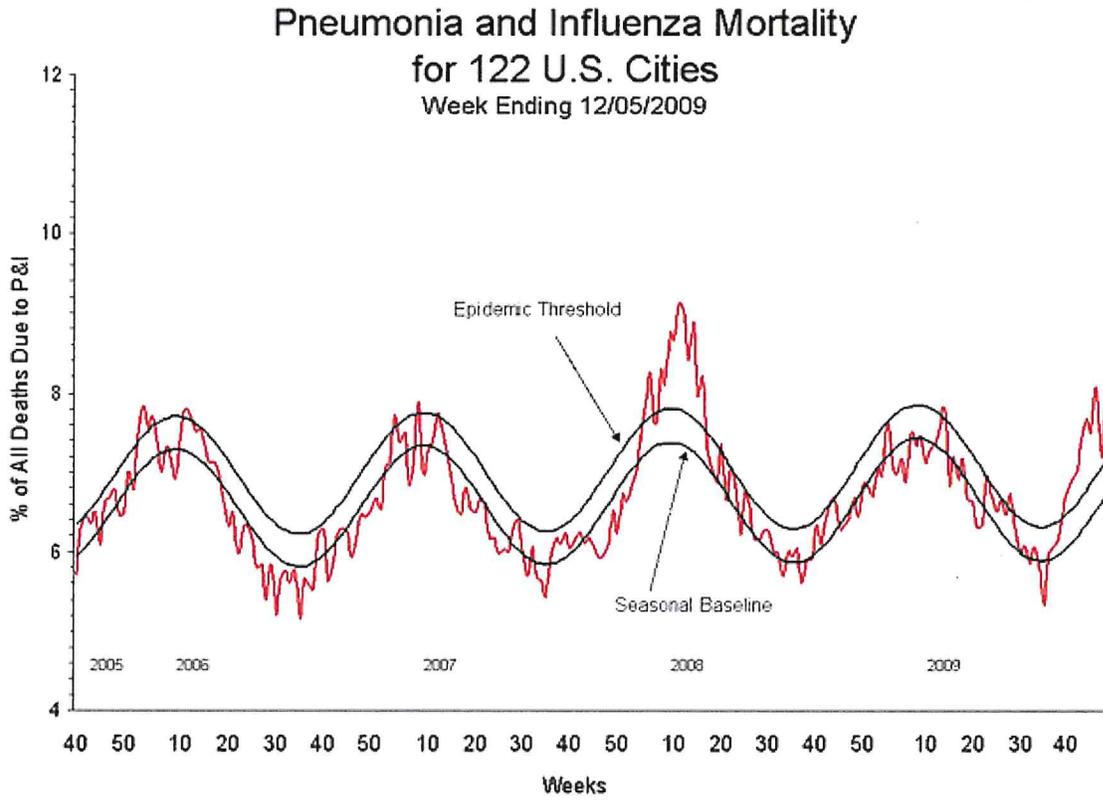
\*Significant at  $p < .10$ .

## Absence Due to Illness in Prior Flu Seasons

As a check on the quality of the data, 37 previous months of CPS data were analyzed, both in terms of overall rates of absence due to illness, and by employment sector. The overall rate is provided in Appendix Table 1. In general, the quality of the data appears quite high. Each of the three flu seasons (2006-2007, 2007-2008, and 2008-2009) is reflected in the absence rate rising above 3 percent as peak flu season arrives in December or January, and gradually declining after a peak in December of 2006, February of 2008, and February of 2009. CDC data related to these flu seasons (Figure 1) shows these same seasons, but also a severe spike during the 2007-2008 season. That spike is reflected in the CPS data, which yields a maximum of almost 5 percent in February of 2008.

Absence rates by employment sectors are provided in Appendix Table 2. Rates for the private sector and public sector reflect the last three flu seasons. Further, the spike during the 2007-2008 season is reflected in the sectoral rates, each of which hits a maximum in February of 2008. Also note that in each of the 37 months, the rate of public sector absence is above the rate for the private sector. Given that public sector employees more often have paid sick days coverage, this finding makes sense. It also suggests a low level of statistical noise in these data; otherwise, the private sector rate would rise above the public sector rate for some months.

Figure 1.



Source: CDC "FluView, 2009-2010 Influenza Season Week 48 ending December 5, 2009," available at [www.cdc.gov/flu/weekly](http://www.cdc.gov/flu/weekly)

Appendix Table 1. Historical Absence Due to Illness, All Employees

<i>Year-Month</i>	<i>Total Employment</i>	<i>Proportion Absent due to Illness</i>	<i>Number Absent due to Illness</i>
2009-Aug	138,192,786	0.023562	3,256,140
2009-Jul	139,104,931	0.022749	3,164,470
2009-Jun	138,951,506	0.026549	3,689,010
2009-May	138,443,943	0.027982	3,873,938
2009-Apr	139,020,574	0.029054	4,039,159
2009-Mar	138,068,244	0.033704	4,653,494
2009-Feb	138,251,569	0.040373	5,581,658
2009-Jan	138,926,511	0.034685	4,818,708
2008-Dec	141,688,445	0.035787	5,070,576
2008-Nov	143,186,184	0.029136	4,171,873
2008-Oct	143,732,828	0.027045	3,887,283
2008-Sep	143,530,207	0.02984	4,282,970
2008-Aug	144,020,235	0.025585	3,684,787
2008-Jul	144,871,000	0.022947	3,324,297
2008-Jun	144,984,476	0.025127	3,643,025
2008-May	144,267,166	0.029875	4,310,025
2008-Apr	144,226,123	0.034596	4,989,575
2008-Mar	143,351,301	0.038428	5,508,718
2008-Feb	142,731,254	0.048895	6,978,873
2008-Jan	142,712,496	0.039292	5,607,431
2007-Dec	144,582,432	0.037924	5,483,144
2007-Nov	145,657,191	0.033508	4,880,608
2007-Oct	144,961,359	0.028726	4,164,204
2007-Sep	144,753,835	0.03016	4,365,805
2007-Aug	144,305,403	0.024725	3,567,879
2007-Jul	144,824,918	0.023993	3,474,741
2007-Jun	144,772,504	0.026371	3,817,796
2007-May	143,996,254	0.031004	4,464,417
2007-Apr	143,379,506	0.032565	4,669,154
2007-Mar	143,417,730	0.03811	5,465,578
2007-Feb	142,259,026	0.037177	5,288,721
2007-Jan	142,026,655	0.038504	5,468,637
2006-Dec	143,634,259	0.039247	5,637,156
2006-Nov	143,828,315	0.02898	4,168,130
2006-Oct	144,049,082	0.029215	4,208,394
2006-Sep	142,883,650	0.030939	4,420,663
2006-Aug	142,997,169	0.024738	3,537,407

Source: CPS

Appendix Table 2. Historical Rates of Absence Due to Illness, By Employment Sector

<i>Year-Month</i>	<i>Private Sector</i>	<i>Public Sector</i>
2009-Aug	0.022805	0.028292
2009-Jul	0.021954	0.025463
2009-Jun	0.025916	0.030441
2009-May	0.026433	0.037621
2009-Apr	0.028448	0.033515
2009-Mar	0.031668	0.041351
2009-Feb	0.038913	0.047085
2009-Jan	0.033648	0.038927
2008-Dec	0.034609	0.041227
2008-Nov	0.028508	0.035537
2008-Oct	0.026602	0.0322
2008-Sep	0.02945	0.032337
2008-Aug	0.025264	0.027354
2008-Jul	0.022043	0.026633
2008-Jun	0.025163	0.027558
2008-May	0.029355	0.035142
2008-Apr	0.03395	0.036674
2008-Mar	0.037157	0.045483
2008-Feb	0.047181	0.058802
2008-Jan	0.037914	0.042876
2007-Dec	0.035987	0.047231
2007-Nov	0.032059	0.041412
2007-Oct	0.02807	0.032508
2007-Sep	0.028862	0.035956
2007-Aug	0.024929	0.025383
2007-Jul	0.023918	0.025227
2007-Jun	0.025901	0.028725
2007-May	0.030459	0.033496
2007-Apr	0.031675	0.038636
2007-Mar	0.037089	0.046156
2007-Feb	0.036034	0.047058
2007-Jan	0.036949	0.047573
2006-Dec	0.037069	0.052907
2006-Nov	0.027578	0.036466
2006-Oct	0.028202	0.035459
2006-Sep	0.029861	0.036066
2006-Aug	0.024815	0.027461

Source: CPS

## References

- Bureau of Labor Statistics. 2009. "Employee Benefits in the United States, March 2009." <<http://www.bls.gov/news.release/ebs2.nr0.htm>> (July 28, 2009)
- Centers for Disease Control and Prevention. 2009a. "CDC Recommendations for the Amount of Time Persons with Influenza-Like Illness Should be Away from Others." <<http://www.cdc.gov/h1n1flu/guidance/exclusion.htm>> (October 23, 2009).
- Centers for Disease Control and Prevention. 2009b. "Hospitalized Patients with Novel Influenza A (H1N1) Virus Infection – California, April-May, 2009." *MMWR Weekly* 58 (May) <<http://www.cdc.gov/mmwr/preview/mmwrhtml/mm5819a6.htm>>.
- Centers for Disease Control and Prevention. 2009c. "2009 H1N1-Related Deaths, Hospitalizations and Cases: Details of Extrapolations and Ranges: United States, Emerging Infections Program (EIP) Data," <[http://www.cdc.gov/h1n1flu/pdf/details\\_eip\\_methods\\_plus\\_schematic.pdf](http://www.cdc.gov/h1n1flu/pdf/details_eip_methods_plus_schematic.pdf)> (November 12, 2009).
- Centers for Disease Control and Prevention. 2009d. "Percentage of Visits for Influenza-like Illness (ILI) Reported by the U.S. Outpatient Influenza-like Illness Surveillance Network (ILINet), Weekly National Summary, October 1, 2006 – December 5, 2009." <<http://www.cdc.gov/flu/weekly/>> (December 5, 2009).
- Centers for Disease Control and Prevention. 2009e. "2009 H1N1 Early Outbreak and Disease Characteristics." <<http://www.cdc.gov/H1N1FLU/surveillanceqa.htm>> (October 27, 2009).
- Lovell, Vicky. 2004. *No Time to be Sick: Why Everyone Suffers When Workers Don't Have Paid Sick Leave* (IWPR Publication #B242). Washington, DC: Institute for Women's Policy Research. <<http://www.iwpr.org/pdf/B242.pdf>>
- Lovell, Vicky. 2005. *Valuing Good Health: An Estimate of Costs and Savings for the Healthy Families Act* (IWPR Publication #B248). Washington, DC: Institute for Women's Policy Research. <<http://www.iwpr.org/pdf/B248.pdf>>
- Reed, Carrie et al, 2009. "Estimates of the Prevalence of Pandemic (H1N1) 2009, United States, April-July 2009." *Emerging Infectious Diseases* (December).

## Notes

---

<sup>1</sup> Rough figures can be ascertained from “Weekly Laboratory-Confirmed Influenza-Associated Hospitalizations and Deaths, National Summary, August 30 – October 31, 2009,” in the CDC’s “Fluview: Influenza Season Week 43 ending October 31, 2009,” available at <http://www.cdc.gov/flu/weekly/weeklyarchives2009-2010/weekly43.htm>. Precise hospitalization figures provided in correspondence to Robert Drago from Miranda Katsoyannis, CDC, November 24, 2009, and December 12, 2009.

<sup>2</sup> Note that the CDC assumes, as is implicitly assumed here, that the total number of hospitalizations can be employed to estimate age-specific cases. See CDC, “2009 H1N1-Related Deaths.”

<sup>3</sup> Descriptions are as found in the U.S. Census Bureau DataFerrett for the CPS basic administration variables PEABRSN and PEHRRSN3, respectively. Available at <http://dataferrett.census.gov>

<sup>4</sup> The sample is restricted to civilian employees (including governmental and the self-employed) and, for comparability with the CDC data, respondents less than 18 years of age are excluded. All CPS figures reported here are weighted by the appropriate monthly variable from the BLS (PWSSWGT).

<sup>5</sup> This correction assumes that rates of infection are identical across the employed and non-employed populations. It seems likely that, if anything, rates of infection are higher among employees because they often are present in workplaces where contagion is likely to occur, whether in offices or factories, stores, schools, hospitals, or nursing homes and child care centers. If that argument is correct, then the estimates of employee infections presented here are understated.

<sup>6</sup> The pandemic figures are not seasonally adjusted, by definition, so for comparability the employment-population ratio should not be seasonally adjusted. Note that the estimated employment-population ratios are higher (by around 1.5 points) than published BLS figures for the same months. This difference is due to the published figures including individuals aged 16 and 17 years, who are rarely employed. See BLS, “The Employment Situation,” November 2009, Table A-1. Available at: <http://www.bls.gov/news.release/empsit.t01.htm>

<sup>7</sup> According to the American Community Survey, 2006-2008 data, the institutional population accounts for 1.8 percent of all individuals 18 years and over, while military personnel account for 0.5 percent of the adult population. Multiplying the CPS population estimates by 1.023 yields corrected employment-population ratios as shown in the text. Figures calculated from U.S. Census Bureau, Table S2601A. Characteristics of the Group Quarters Population, Data Set: 2006-2008 American Community Survey 3-Year Estimates, “American Factfinder,” available at <http://factfinder.census.gov>

<sup>8</sup> Just over 18 percent of all employees are estimated to have contracted H1N1 at some point during the three month period. Applying this figure to employment averages for each of the sectors yields infection numbers of 18.7 million for the private sector and 3.9 million for the public sector. Multiplying these figures by the inverse of the coefficients in Table 6 yields the figures mentioned in the text.

*Funding for this research and IWPR's continuing work on paid sick leave has been provided by the Ford Foundation, the Annie E. Casey Foundation, and the Public Welfare Foundation. The authors wish to thank Jeffrey Hayes, Vicky Lovell, Jay Stewart, and Jane Waldfogel for feedback on earlier drafts of this study.*

---

**For more information about IWPR reports or membership, please  
call (202) 785-5100, email [iwpr@iwpr.org](mailto:iwpr@iwpr.org), or visit [www.iwpr.org](http://www.iwpr.org)**

The Institute for Women's Policy Research (IWPR) conducts rigorous research and disseminates its findings to address the needs of women, promote public dialogue, and strengthen families, communities, and societies. The Institute works with policymakers, scholars, and public interest groups to design, execute, and disseminate research that illuminates economic and social policy issues affecting women and their families, and to build a network of individuals and organizations that conduct and use women-oriented policy research. IWPR's work is supported by foundation grants, government grants and contracts, donations from individuals, and contributions from organizations and corporations. IWPR is a 501 (c) (3) tax-exempt organization that also works in affiliation with the women's studies and public policy programs at The George Washington University.

April 27<sup>th</sup>, 2020

Governor Steve Bullock  
State of Montana

Larry Simkins, Chair  
Coronavirus Relief Fund Task Force

The human health and economic harm due to COVID-19 is acute and difficult to overstate. Montana's use of funds to provide relief must be rapid, strategic, and targeted, and should prioritize public health and human safety. Thus far this crisis has brought out the very best of who we are in Montana. However, it should be noted that many of the greatest challenges we face today reflect strains that existed here before this crisis. We urge the State of Montana to invest in ways that address our acute challenges while building a new foundation for a stronger and more resilient Montana.

Missoula community leaders are working together to manage the crisis and ensure we emerge from it in a position to take care of our citizens and businesses and be better prepared for challenges and opportunities in the future. This group includes leaders from the Missoula Economic Partnership, the University of Montana, Missoula County, Providence St. Patrick Hospital, Community Medical Center, the City of Missoula, the Missoula City/County Health Department, and Missoula County Public Schools. Following are areas of consensus among these community leaders for strategic and targeted investment of Montana's \$1.25 billion COVID-19 economic relief funds:

Montana should provide assistance to individuals and businesses to provide a safety net and stability as we emerge from the crisis. To that end, we recommend the following:

- *Maintain Direct Individual and Family Assistance* – COVID-19 has created financial hardship for many families and individuals who have lost their jobs. . Many of these jobs are likely to be slow to return, if they return at all before treatment or a vaccine becomes widely available. For example, continue to provide support to individuals through Montana's Unemployment Insurance fund and ensure that the fund can sustain our needed phased and likely gradual return to economic health.
- *Fill Gaps in Essential Direct Business Assistance* – Our best chance at re-employing Montana's workforce is to ensure that businesses that were successful before COVID-19 are best able to remain in existence and resume business as soon as possible. For example, the eight-week window for consideration of PPP loan forgiveness starts on the date the loan is approved. Governor Bullock was wisely ahead of many parts of the nation in issuing closures, but because of this some businesses may have weeks of expenses that will not qualify for PPP SBA loan forgiveness.
- *Provide Property Tax Relief While Ensuring Continuity in Local Government Services* – Montana's reliance on property tax gives us the best chance at delaying the impacts of

COVID-19 on local government revenue, but those impacts may still be realized in the months and years ahead. For example, establish a property tax relief fund that allows small businesses and individuals access to grants that will pay a share of the property taxes that is commensurate with the COVID-19-related costs and revenue impacts.

- *Create Direct Assistance to Local Governments who are on the Front Lines of the COVID-19 Response.* Local governments across Montana are incurring unanticipated expenses in response to the COVID-19 emergency. The Incident Management Team for this event, led by Missoula County, incurs approximately \$43,000 per day in expenses. Additionally, local governments are incurring the costs of providing remote services, cleaning and disinfecting public spaces, and covering the costs of COVID-19 related absences.
- *Invest in and Expand Existing Community-Level Economic Development Infrastructure -* Public and private economic development groups are well positioned to quickly expand the capacity of state and local governments to deliver critical services, coordinate recovery efforts, and support businesses. For example, maintain or build capacity in the proven economic development organizations that quickly mobilized to support Montana’s business community during this challenge.
- *Leverage Existing Statewide Economic Development Programs and Broaden Eligibility -* Ensure that statewide infrastructure has flexibility to allow businesses impacted by COVID-19 to take advantage of existing resources. For example, expand eligibility of certain programs beyond basic sector and revise programs to prioritize job retention and safe reopening by providing funding for PPE, signage, sanitation supplies, renovation costs, technology upgrades to facilitate remote workers and reduced physical contact, and other operating costs for businesses reopening under guidelines established by the State of Montana and Missoula City-County Health Department.

Montana should also provide investments that provide a long-term return while building a new foundation for a stronger and more resilient Montana.

- *Invest in Training Montana’s Post COVID-19 Workforce –* Upon reopening, many Montana businesses will need to adapt to a “new normal” operating environment. Many businesses will reopen to changing demands or reduced demand and commensurate reductions in needed workforce. We can accelerate recovery if both employers and unemployed workers can quickly develop new skills needed to succeed in a post COVID-19 economy. For example, provide funding to expand capacity for public-private workforce development partnerships and services that connect employers’ training needs to Montana’s educational institutions; provide scholarships to Montana colleges and universities for specific credentials up to two years of higher education; and provide matching grants for COVID-19-impacted employers who invest in workforce training through Montana colleges or universities or other key Montana-based professional development resources.

- *Provide and Leverage Funding for Innovative Childcare, Youth Education, and Youth Enrichment Programs* – The ability for many workers to return to and be productive in their workplaces will be largely shaped by their ability to place their children in safe, healthy, and enriching environments while they work. COVID-19 is likely to provide challenges to meeting these goals for public schools that operate with traditional classroom environments and for public or private services that deliver the familiar summer programming on which working families have depended. Montana should provide funding that leverages existing public-school CARES Act funding by investing in programs that will create public/private partnerships for expansion of youth education programs or programmatic innovations that can deliver safe, healthy, and enriching environments for Montana’s children. These programs would provide the opportunity for our kids to catch up on lost learning and their parents’ ability to return to work.
- *Fund the Acceleration and Expansion of Montana’s COVID-19 Testing, Treatment (including mental health treatment), Mitigation, and Prevention Measures.* Missoula and the University of Montana are integrated communities. To ensure that students return to UM with confidence and that the community is confident in welcoming them back safely, expanded testing, tracing, and COVID-19 mitigation measures are needed.
  - a. ***COVID-19 Testing and Screening Development*** Current University of Montana faculty can currently complete a reasonable turnover of COVID-19 tests using in-house PCR instruments. These instruments do not meet the CDC standard but potentially would have the same accuracy. Acquiring instruments that meet the CDC standard would allow the University of Montana to expand and provide testing on a monthly basis for every student, faculty and staff member. The University of Montana could also provide COVID-19 antibody testing and information on those who have been exposed to the virus and therefore should have some level of immunity. Estimated cost: **\$5,500,000**.
  - b. ***Infrastructure and Supplies for Enhanced Testing Protocols at UM Campus*** To enhance our ability to safely operate a densely populated campus until there is a vaccine for COVID-19, the university would like to consider implementing an enhanced testing protocol for students (and staff and faculty, if possible) to understand the prevalence of COVID-19 on our campus community and improve our ability to mitigate spread of the virus. Estimated cost: **\$1,000,000**
  - c. ***Mental Health – Clinical Psychology Center*** The University of Montana’s Clinical Psychology Center is a valuable mental health service center for the region and is a training clinic for doctoral students in the University’s top tier clinical and school psychology program. There is a shortage of mental health providers in Montana. We plan to expand the current Clinical Psychology Center building (add a new floor to the building) to expand the services we provide and the number of counselors that we train and to enhance the quantity and quality of training opportunities. We have already secured some private philanthropic support for this project, and with an additional support, we will have the funds necessary to expand this building and program. Needed support: **\$4,000,000**.
- *Western Montana Center for Biosciences & Biotechnology*  
The University of Montana is a leader in vaccine and immunotherapy development. UM’s Center for Translational Medicine (CTM) is in the final stages of receiving a new



\$35 million NIH contract for the development of an opioid vaccine and has been asked by the NIH to play a key role in vaccine development for COVID-19. The center lacks key infrastructure needed to for certain portions of its work and therefore has to subcontract significant work outside Montana. The Vaccine and Immunotherapy Institute will build upon expertise within UM's Center for Translational Medicine and the new Center for Public and Community Health and will significantly expand the University of Montana's role in vaccine development, opioid research, and community health.

Thank you for the opportunity to comment on how to best use \$1.25 billion appropriated to Montana through the Federal CARES Act to assist workers, businesses, and sectors of the economy impacted by COVID-19. We look forward to continuing to work with you during this crisis.

Best regards,

A handwritten signature in blue ink, appearing to read "Grant Kier", is written over a horizontal line.

Grant Kier  
President & CEO  
Missoula Economic Partnership



# Recommendations to Governor Bullock and Coronavirus Fund Relief Task Force on Use of CARES Act Funding

April 21, 2020

The Honorable Steve Bullock, Governor and the Coronavirus Relief Fund Task Force  
Office of the Governor  
PO Box 200801  
Helena, MT 59602

Dear Governor Bullock and the Coronavirus Relief Fund Task Force:

This pandemic and resulting economic crisis have merely laid bare the longstanding inequities built into our social, economic, and political systems. Our response must be grounded in addressing these injustices and deploying deliberate policies targeted to those most impacted by COVID-19.

To that end, we recommend the following:

- **Prioritize critical support for families struggling to meet basic needs.** We recommend the Governor allocate \$180 million in emergency rental assistance and other housing services (including supportive housing, housing navigation and tenancy support services) and \$50 million in child care assistance, to support families and workers impacted by COVID and the economic recession. Further, the state should invest \$5 million in re-entry programs for those on probation and parole, including support for housing, peer support services, and mental health and substance use disorder treatment, to meet the needs of people reentering society after incarceration. The use of coronavirus relief funds (CRF) should be grounded in solutions that promote racial and economic justice.
- **Support increased capacity and infrastructure to ensure families can access benefits and services.** The state should invest \$10 million in additional support for enrollment assistance and public education and outreach for programs like Medicaid, SNAP, and unemployment insurance. This support should include investments to expand broadband access in rural areas and Indian Country to ensure Montanans can access services remotely.
- **Ensure adequate funding for preventing and slowing the spread of COVID-19 in the state.** To the extent not available through other funding streams, the state should allocate funds for testing and tracking, public awareness campaigns, health care for the uninsured affected by COVID-19, and any necessary medical equipment, staff, and supplies.
- **Prioritize the safety and economic security of frontline workers.** Frontline workers are putting their lives on the line every single day, so that we can enjoy basic goods and remain safe: health care workers (including nursing home, group home, and home health workers), restaurant staff, grocery store workers, child care workers, delivery drivers, and janitorial and custodial workers. The state should set aside \$10 million for future expenditures needed to support frontline workers, including safety equipment, hazard pay, and access to health care and child care.

- **Bolster public and non-profit social service sectors working to address public health needs.** Montana should allocate \$100 million to support non-profit social service providers, including child care providers, domestic violence and homeless shelters, food banks, and other service providers facing increased demand and expenditures as a result of COVID-19. Expend funds in the most efficient and effective ways possible by building on existing programs and distribution networks and supporting local entities.
- **Invest in broadband infrastructure in rural counties and Indian Country.** Lack of internet services is impeding individuals from rural Montana from accessing critical support (UI, SNAP, etc.) and limits families' ability to work remotely or distance learning. Montana should invest the resources needed to expand broadband internet in Indian Country and other rural areas. This investment is critical in responding to the COVID-19 economic crisis.
- **Prevent any further budgetary cuts that would harm communities and impede economic recovery.** The state should set aside at least \$400 million in CRF to rebuild the budget stabilization fund and maintain adequate public sector services through and after COVID-19. The state should expect increased need for services to continue for up to 18 months after COVID-19, and expanding and fully investing in services will be crucial for a full recovery. Additionally, the state should consider investment in housing support, education, and other programs that can bolster families' ability to weather a potential long-term economic downturn.
- **Provide local and tribal governments with certainty in accessing resources to offset expenditures related to COVID-19.** Local governments are grappling with significant cost overruns due to COVID-19, including providing non-congregate shelter for individuals who are homeless and supporting community partners to provide safe and stable housing, food support, and other services for families in need. The state should allocate at least 30 percent (\$375 million) of Coronavirus Relief Funds to local and tribal governments and expeditiously release guidance to counties, municipalities, and tribal governments on the reimbursement of necessary expenditures.

We appreciate the opportunity to provide feedback on the critical support needed through the Coronavirus Relief Fund. We are happy to provide additional information as you continue your discussions.

Sincerely,



Heather O'Loughlin  
Co-Director  
Montana Budget & Policy Center  
[holoughlin@montanabudget.org](mailto:holoughlin@montanabudget.org)  
(406) 868-3438



Diocese of Helena

# MONTANA CATHOLIC CONFERENCE



Diocese of Great  
Falls-Billings

April 20, 2020

The Honorable Steve Bullock  
Governor of Montana  
P.O. Box 200801  
Helena MT 59620-0801

APR 21 2020 PM 1:36

Dear Governor Bullock,

On behalf of the 3,900 children who attend our Catholic primary and secondary schools, and the dedicated educators and leaders who serve them, thank you for your continued leadership throughout the COVID-19 crisis. We greatly appreciate the good and timely information your office has provided during this difficult time.

The COVID-19 impact on the State of Montana has placed stresses on many of the state's capacities. While it is too soon to fully understand the extent of the recovery effort that will be required, we are grateful for the much-needed assistance for schools the federal government is providing through the CARES Act. The students we serve come from a wide range of socioeconomic backgrounds, with 35% qualifying for free and reduced-price lunch and 30% of our students representing minority populations. Notably, if aggregated, our Catholic school system in Montana amounts to the 7th largest district within the state.

We write to ask for your help in the struggle to recover from this emergency and the economic impact it is having on our Catholic school communities. It is our understanding that the CARES Act provides \$3 billion to governors in the Governor's Emergency Education Relief Fund (GEER Fund), with Montana's allocation being roughly \$8.76 million. This fund is to be used at the governors' discretion, and can be used to provide financial assistance to local education agencies, institutions of higher education, and education-related entities that have been considerably impacted by COVID-19 in order to support these institutions and protect education-related jobs.

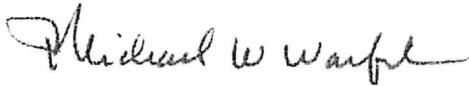
Using this new federal funding source, as well as any state funding that might become available, in a way that is appropriate to help private schools survive and their students excel, would be appreciated. Specifically, we ask you to work to ensure that federal funds committed and received by the state are equitably distributed to nonpublic schools. These funds will help us provide the delivery of innovative and flexible resources critical for the ongoing education of our students.

For many of our students on the reservations, connectivity is an issue. We would like to provide our primary students with resources and at-home activities to promote literacy and learning in these crucial early years. Our superintendent, Dr. Tim Uhl, has offered to the Superintendent of the Office of Public Instruction and to Helena's superintendent Dr. Tyler Ream his assistance in choosing appropriate materials.

Working in collaboration on these challenges – now and going forward - will be greatly appreciated, and your leadership in facilitating this partnership at the local level between public and Catholic schools will be critical to our collective success.

Thank you for your time, consideration and cooperation during these trying times. Please know of our continued prayers as you lead our great state through the challenging days that lie ahead.

Sincerely,



Bishop Michael W. Warfel  
Diocese of Great Falls-Billings



Bishop Austin A. Vetter  
Diocese of Helena



**MONTANA  
CHAMBER OF  
COMMERCE**



April 21, 2020

The Office of the Governor of Montana  
Montana State Capitol Building  
1301 East 6th Avenue  
Helena, Montana 59601

Dear Governor Bullock,

The people of the business community of Montana appreciate your leadership over the course of the COVID-19 pandemic. You have made some tough decisions in order to protect the public health, welfare, and safety of Montanans.

Your recent announcement that it is near time for Montana to reopen and revive our economy in a phased manner is much appreciated as well.

The timing of your efforts to start Phase 1 of our recovery is very important. Already, many of our rural communities were struggling due to a downturn in the agriculture economy. With the COVID-19 pandemic, their circumstances are even more precarious. Today, Montana businesses and employers are down, but they are not out. At this point, every day has an exponentially negative impact on the number of Montana businesses and employers that go under.

A recent survey conducted on April 16-17, 2020 by the Montana Bankers Association confirmed what the dozens of bankers from large, medium and small sized banks in Montana's cities and towns know today:

- There is a 5 to 30-day window of opportunity for 84% of Montana bank business customers to recover if they are able to open within that period. Beyond that, most of Montana bankers are uncertain of the result.
- 86% of Montana bankers indicated that their business customers understand the importance of the need for public safety and the importance of the shelter in place order. Yet, they believe that a gradual reduction (such as Phase 1) is necessary to both protect public safety and to revive our economy.
- 89% of Montana bankers expressed confidence that their customers are capable and willing to implement health safety procedures to limit exposure for both customers and employees, as they work to open and rebuild their businesses.

The Montana Chamber of Commerce conducted a survey of its membership during the same time period. This survey resulted in:

- Optimism among 65% of the respondents who believe they are able to recover as long as they are allowed to open up within the next 30 days.
- 76.18% of the respondents expressed support for a "phased" reopening of Montana's economy.

The business community takes the health threat of COVID-19 seriously, for its employees and customers. Already, we see business innovating to provide protections to the consumer and the workforce, implementing social distancing standards, protective barriers and limiting customer numbers into their facilities. Businesses still closed due to voluntary or mandatory closures are preparing to implement these same measures in order to protect employees, customers and build confidence in the consuming public.

With a deliberate and gradual approach, employers understand that schools may need to remain closed in the interests of public safety. We are capable of being flexible and partnering with our colleagues and

employees to address the challenges that this may pose. Similarly, visits to senior living facilities and hospitals will need to be prohibited. Allowing venues like restaurants, bars/casinos, movie theatres, sporting venues, and places of worship to operate under strict physical distancing protocols is reasonable and necessary. Opening gyms and other businesses and requiring them to adhere to strict physical distancing and use of sanitation protocols is reasonable as well.

Because Montanans have followed the guidelines of your shelter in place order, we are confident that we are fully capable of working within the confines of the first phase. As Montana's economy is revived and we do what is necessary to protect ourselves, our families and our communities, we are confident that Montana will enter Phase 2 and Phase 3, working toward normalcy, as soon as appropriate and possible. The business community is prepared to work with the State of Montana and local governments to be responsive and compliant with any public health orders that occur in the case of increased concern for public health and safety.

If circumstances require that a shelter in place must go back into effect, we will stand with you and work with you to make certain everything that can be done to protect public health and safety is implemented.

Along with the undersigned organizations, the Montana Chamber of Commerce and the Montana Bankers Association are committed to helping your administration in any way necessary to achieve a phased-in reopening of the Montana economy within days after the expiration the current shelter in place order.

Sincerely,

Todd O'Hair, President and CEO, The Montana Chamber of Commerce

Cary Hegreberg, President and CEO, The Montana Bankers Association

<b>Signed in Support</b>	<b>Organization Represented</b>
John O'Brien	Beaverhead County Chamber of Commerce and Agriculture
Candace Carr Strauss	Big Sky Chamber   Visit Big Sky
Shane Etwiler	Great Falls Area Chamber of Commerce
Daniel C Dahl	Chinook Chamber President/Wilderness Funeral Homes
Bruce Knudsen	Montana Auto Dealers Association
Kristi Blazer	Montana Beer and Wine Distributors Association
Lisa Koski	Glasgow Area Chamber of Commerce & Ag, Inc.
Leslie Feigel, CEO	Livingston Area Chamber of Commerce
Daryl W Schliem	Bozeman Area Chamber of Commerce
Julie Schroder	Powell County Chamber of Commerce
Tressie Goddard	Stillwater County Chamber of Commerce
Stuart Doggett	Montana Lodging and Hospitality Association
Candi Whitworth	Beaverhead Chamber of Commerce & Agriculture/Dillon CVB
Brad Griffin	Montana Retail Association
John Iverson	Montana Tavern Association
David Smith	Montana Contractors Association, INC
Scott Sehnert	Montana Manufacturers Association



April 24, 2020

Dear Governor Bullock & Coronavirus Task Force,

The MT Child Care Resource & Referral Network (MCCRRN) respectfully submits the following recommendations to the Task Force for consideration of the needs of children aged 0 to 12 who access licensed or regulated child care, with an emphasis on children 0 to 5. More than 22,000 Montana children are served in licensed or regulated child care.

MCCRRN represents the six resource and referral agencies in Montana. Resource & referral agencies provide required training and services to licensed and registered child care programs and support families by administering the Best Beginnings Child Care Scholarship and by referring families to quality child care.

Montana's early child care and education (ECE) system faced challenges before COVID-19. A key finding in the, "Montana's Early Childhood System: A Comprehensive Statewide Needs Assessment" asserted Montana's early childhood education capacity did not meet the demand before COVID-19. Less than half (44%) of Montana's children needing care could be served by the existing ECE capacity. Since the April 1st directive, declaring child care an essential service, child care providers across the state have made difficult and brave decisions including the decision to suspend services, open only to families of essential workers, or otherwise serve families in need of child care. With 300+ child care programs suspending their services to protect the health and safety of children, families, and staff, Montana's already limited child care capacity has been greatly reduced as a result of this pandemic. Financial assistance for child care providers is essential to ensure providers can afford to return to the field.

In addition to decimating our child care capacity, COVID-19 has undermined the already fragile economic position of child care providers. Commitment from the Early Childhood Services Bureau to pay 100% of approved authorizations of Best Beginning Child Care Scholarship Program has been helpful to providers, but it is not enough. Child care is financed primarily by families, so for child care programs to be financially sustainable, they must strive for full enrollment every day, collect tuition on time and in full, and match annual revenue to expenses. Since the pandemic, nearly every child care program in Montana has had at least one, if not all three, of these elements at risk. Providers operate with thin margins and even one month of missed income can be catastrophic.

To support the reopening 300+ child care programs who have suspended their services, and to support the shift of those programs who have remained open and served essential workers back to the population at large, MCCRRN asks for the following:

#### **Guidance**

Currently child care providers have been given best practice recommendations. In order to protect the health and safety of children, families, and staff, child care providers need specific public health backed directives regarding:

- Ratio, group sizes, facility capacity maximum, and mixed age groups in centers.
- Sanitation guidance of common use spaces such as restrooms and outside play equipment.

#### **Funding and Accessibility**

Sufficient funding to keep the early childhood care and education system intact is needed to preserve the infrastructure necessary for our states economy. MCCRRN recommends:

- Funding to allow child care providers to replace certain fixtures, such as toilet flushing mechanisms, faucets, soap dispensers, paper towel dispensers, water fountains, and light switches, with touchless versions in order to minimize the possibility of transference of the virus due to the use of these items by an infected person.

- Funding for deep cleaning of facilities and ongoing cleaning supply needs. Many supplies necessary to ensure safety are unavailable including bleach, sanitizer, toilet paper, etc.
  - MCCRRN recommends bulk purchasing and distribution.
- Funding and training by a medical professional to implement the recommended screening, cleaning, and safety protocols, including funding for the needed equipment and supplies (i.e. no touch thermometers and PPE)
- Funding for child care programs to access mental health consultation to address social and emotional impact for providers and children.
- Funding for programs ineligible or unable to access the limited PPP or SBA loans.
- Funding for staff hazard pay
- Funding to support Emergency Child Care as needed including funding for the rental of other facilities and additional staff in order for child care providers to comply with safe group size limitations.
- Funding for tuition fees, lost nonrefundable deposits, and similar expenses arising from the need to suspend or reduce child care services.
- Increased funding for startup grants in months following pandemic, as we expect to see permanent closures.

#### **Support**

MCCRRN asks the task force to seek and support public health recommendations.

It is our hope the Task Force finds this information helpful in determining how to best use CARES Act funding to support children and families. Please contact Meghan Ballenger, Network Director of the MT Child Care Resource & Referral Network, at (406) 422-9915 or [mballenger@mtchildcare.org](mailto:mballenger@mtchildcare.org) if you have any questions or would like additional information.

We appreciate this opportunity to provide input during this unprecedented time.

Respectfully,

*Meghan Ballenger*

Network Director  
The MT Child Care Resource & Referral Network

The Nurturing Center  
Child Care Resources  
Butte-4Cs  
Child Care Connections  
Family Connections, MT  
HRDC7, Child Care Program

APR 28 2020 AM 9:40



913 3<sup>rd</sup> Avenue North Great Falls, MT 59401 mthousingcoalition.org

April 23, 2020

The Honorable Steve Bullock, Governor, and  
The Coronavirus Relief Fund Task Force  
Office of the Governor  
Box 200801  
Helena, MT 59602

Dear Governor Bullock and Members of the Coronavirus Relief Fund Task Force

Thank you for taking on the challenging work of creating a plan for the pandemic recovery utilizing the State Coronavirus Relief Fund. The sum allocated to Montana of \$1.25 billion seems generous, but we all know that the demands for relief will outstrip the amount. Your decisions will be difficult in choosing the careful balance of supporting our business employers, including non-profit organizations, and crafting recovery for individuals and families most harmed by the pandemic effects and after-effects.

The Montana Housing Coalition recommends that \$400 million of the Relief Fund be set aside for the following:

1. To support housing for persons experiencing homelessness and housing instability (doubled up, couch-surfing, other conditions), rental assistance paid directly to landlords; and mortgage assistance paid to lenders, so families and individuals can be housed and remain housed for health reasons during the period of the pandemic and to help them catch up on back rent and mortgage payments resulting from loss of income due to job loss during social distancing timeframe.
2. To support housing counseling, financial coaching and social service navigation so impacted families and individuals are able to understand their options and seek the help they need to get adequate housing or remain housed and to provide supportive services to individuals and families struggling to find and maintain housing.
3. To create risk mitigation funds payable to landlords to alleviate the risk of damage or non-payment of rent to landlords for individuals and families with credit blemishes or lacking prior landlord recommendations
4. To create long-lasting homeless shelter alternatives so individuals may properly quarantine, i.e., local government or non-profit agency purchase of modest motels and hotels to be used for transitional and permanent housing.

We know that stable housing is a key to economic recovery. During the 2008 downturn, families lost their homes, both rental and owned, because we reacted too late to save them. The impact of this delayed response was enormous in terms of personal wealth, effect on financial institutions and on local and state economies. Money spent now to house, rapidly re-house and maintain housing will save money in the long run, with lower health care costs, reduced impact on social services and unemployment and stronger economic growth in added jobs and workforce.

Thank you for this opportunity to provide feedback to the Task Force and thank you again for taking on this most important work.

A handwritten signature in cursive script that reads "Sheila Rice".

Sheila Rice, Chair, Montana Housing Coalition Board of Directors



Attention: Governor Steve Bullock and the Coronavirus Relief Task Force

**RE: Coronavirus Relief Fund Public Comment**

The COVID-19 pandemic and resulting economic recession has had a devastating impact across the state; however, some have been hit particularly hard and face serious and potentially long-term financial insecurity. The ten Community Action Agencies (CAAs) more commonly known as Human Resource Development Councils in Montana, urge Governor Bullock and the Coronavirus Task Force to prioritize directing relief funds to critical social services and other supports for individuals most disadvantaged by COVID-19.

We urge this on behalf of the more than 86,000 persons and 43,000 households we served--90% of whom live at 150% of the poverty level. We urge you to consider the plight of the more than 135,000 Montanans living at poverty and remind you that for a family of four, that means subsisting on \$26,200.

We urge the majority of the funding be allocated toward direct assistance to individuals and support for social services targeted toward unsheltered and homeless Montanans, families living in poverty, seniors, Montanans with disabilities, individuals working on the frontlines for low pay, and those in Indian Country. Funding should address longstanding inequities built into our social, economic, and health systems, and cover housing needs, food security, health care, and loss of income, at a minimum. Any state support for businesses should be targeted to those small businesses most vulnerable to the economic downturn and those not adequately targeted through federal relief, including minority-owned and women-owned small businesses. Finally, we urge the Task Force to consider reserving a significant portion of the Coronavirus Relief Fund to respond to emerging needs in the coming months.

Montana's economy will not recover if businesses don't have healthy workers, if parents can't go back to work because they don't have child care, and if individuals lack housing and food. Dedicating funding to those most impacted is critical to Montana's ability to weather this pandemic and create a better state for all of us.

Thank you for your consideration.

Action for Eastern Montana, Glendive  
HRDC IV HRDC, Havre  
Opportunities Inc., Great Falls  
District 6 HRDC, Lewistown  
District 7 HRDC, Billings

Rocky Mountain Development Council, Helena  
HRDC of District IX, Bozeman  
Community Action Partners of NW MT, Kalispell  
Human Resource Council, Missoula  
Action Inc., Butte

## A Proposal for the Governor's Coronavirus Relief Fund Task Force

Center for Infectious Disease Management for Older Adults (CIDMOA) in Billings, MT.

Background: Care in senior living centers is essential to manage the health and well-being of the growing number of older people in Montana. Unfortunately, Covid-19 virus prevalence in nursing homes and assisted living communities across the country has severely affected the public image of senior care facilities. These same facilities had previously struggled with positive imaging prior to the reality of the Covid-19 virus.

Purpose: If senior care facilities are to remain a viable community resource to manage our growing older population, we must take steps to divert the care delivered for older adults who are unable to self-care at home and who have moderate to severe Covid-19 conditions. Hospitals and nursing homes could discharge to a Center for Infectious Disease Management for Older Adults. This center could also serve those with influenza who are unable to self-care at home.

What is a CIDMOA?

A CIDMOA is a public and private partnership to develop a community asset of shelter and care. This asset would utilize a small facility with capacity of twelve to sixteen beds. The asset would provide services to hospital and nursing home referred patients who have an infectious disease that can be managed by specialists for those with moderate to severe symptoms. This would allow hospitals and nursing homes to more effectively provide traditional services within their care settings. Generally, those with mild symptoms can remain home. Some with severe symptoms and all with critical symptoms would need hospitalization.

Public Partnership = Acquisition Funds as well as a Subsidy Escrow Fund.

Acquisition = The Billings CIDMOA would ask for a \$5M to acquire, supply and equip a medical facility that can be isolated physically from any other hospital or nursing home for two years as a vaccine is hopefully developed.

Subsidy = \$4M escrow that would offer a safe harbor of operating losses for two years. Balance to be returned to the State of Montana.

Private Partnership = A joint operating agreement hospitals and nursing homes who will commit \$250,000 each, in order to fund an operating reserve to establish a CIDMOA.

Hospital partners, as part of the blanket waivers provided by CMS, would allow Hospitals and Nursing Homes to discharge patients testing positive with the Covid-19 virus to alternate care sites and to bill respectively as if they were their own patients. Hospital partners that direct admissions would pay the CIDMOA \$2,000 per day. Nursing Home partners that direct admissions would pay \$500 per day. This potentially frees up capacity for more traditional services within the Hospital(s) or Nursing Home(s) setting enabling more elective procedures and post hospital rehabilitation, while minimizing fear of discrimination or avoidance within those settings.

Conclusion:

The economic impact of the Covid-19 virus has already been felt by the Healthcare community and the entire economic engine that revolves around healthcare. It is prudent that wherever possible, we create the best environments of health care with the finest and most well prepared staff to serve our citizens. Our citizens, unfortunately, are inflicted by a disease that is indiscriminately affecting all people.



# MONTANA LEARNING CENTER

*at Canyon Ferry Lake*

Wednesday, April 22, 2020

Dear Governor Bullock & Coronavirus Task Force,

We, the undersigned, provide enrichment programs for children outside of the academic setting here in Montana. While each of us is unique, we share some common traits and have some common needs as we envision the reopening of our in-person programs, hopefully at some point this summer.

As parents return to work, the need for our in-person programs will grow, since they effectively function as childcare for at least some period of every workday. Understanding that, we are anxious to resume providing our services to children in person as soon as is reasonably possible, but we do not want to reopen our in-person programs too soon and risk jeopardizing the lives of our staff, the children and parents we serve, our families, our friends, and our neighbors.

We have begun planning the reopening process and contingency plans should the reopening take longer than anticipated. Since we are each unique, our reopening plans vary widely, but all of them envision that over time, we will:

- keep abreast of current developments, including changing guidance from public health agencies and industry associations, such as the American Camp Association, and adjust our approaches and activities accordingly;
- gradually decrease our reliance on virtual activities and increase our in-person programs;
- redesign our offerings to:
  - reduce the number of different programs we offer, instead selecting a few programs to offer that work best in the current environment and potentially repeating them over time;
  - incorporate virtual activities where appropriate and design alternatives for children without internet access;
  - ensure compliance with the current size limit for gatherings, the social distancing guidelines, and other recommendations and requirements from various governmental health agencies and others;
  - adjust our offerings as the gatherings size limit increases, the social distancing guidelines ease, and other guidance and requirements change; and
  - allow time for adequate cleaning of our facilities between uses; and
- determine the best use of our space and arrange for additional space as needed to meet gatherings size limits, social distancing guidelines, and other recommendations and requirements.

In order for us to plan and manage the reopening process, and minimize the risks to our staff, the children and parents we serve, our families, our friends, and our neighbors, we need the following:

- **Clear, yet flexible, science-based guidance from public health professionals on the protocols we should adopt for:**

7653 Canyon Ferry Road – Helena, MT 59602  
(406) 475-3638

- the screening of children and staff as they enter our facilities each day;
  - the daily cleaning and periodic deep cleaning of our facilities; and
  - the safety and protection of our staff and the children in our programs.
- **Funding and training** to implement the recommended screening, cleaning, and safety protocols, including funding for the needed equipment, supplies, and staff to perform these functions. We feel strongly that each of us will need to hire at least one staff member with sufficient medical training to oversee the execution of these protocols, address any issues that may arise in their implementation, and provide advice to us in the event a child becomes sick while attending one of our programs.
  - **A clear, science-backed plan for a staged reopening** that addresses when we can increase our in-person programs beyond the currently permitted limit, when the six feet minimum for social distancing can be relaxed, and when other recommendations and requirements can be phased out.
  - **Funding** to allow us to replace certain fixtures, such as toilet flushing mechanisms, faucets, soap dispensers, paper towel dispensers, water fountains, and light switches, with touchless versions in order to minimize the possibility of transference of the virus due to the use of these items by an infected person.
  - **Funding** for staff hazard pay and for health insurance coverage for staff members not currently provided health insurance coverage through us.
  - **Funding** for the rental of other facilities and additional staff in order for us to meet the size limitation for gatherings while still providing robust in-person programming.
  - **Funding** for cancellation fees, lost nonrefundable deposits, and similar expenses arising from the need to cancel all planned programming in the short-term.
  - **Changes in workers compensation eligibility guidelines** so that staff members who contract the virus at work qualify for workers compensation benefits (both medical care and financial assistance).

We hope this information assists the Task Force in determining how to best use the funds Montana was awarded under the CARES Act to support nonprofit organizations that provide educational enrichment activities for children. Please contact Ryan Hannahoe, Executive Director of Montana Learning Center at Canyon Ferry Lake, at (406) 475-3638 or [MontanaLearningCenter@gmail.com](mailto:MontanaLearningCenter@gmail.com) if you have any questions or would like further information about any of the items above.

Thank you. We appreciate having been given an opportunity to provide input to the Task Force so it can make the right decisions for Montana.

Sincerely,

Butte YMCA  
 Child Care Connections  
 Gallatin Valley YMCA  
 Greater Gallatin United Way  
 Family Connections Inc.  
 Missoula YMCA  
 Montana Child Care Resource &  
 Referral Network  
 Montana Outdoor Science School  
 Southwestern Montana YMCA  
 Wise Wonders Science & Discovery Museum

Carter County Museum  
 Child Care Resources  
 Grandstreet Theatre School  
 ExplorationWorks  
 Helena Family YMCA  
 Montana Natural History Center  
 Montana Learning Center  
 at Canyon Ferry Lake  
 Montana Science Center  
 United Way of the Lewis and Clark Area



MONTANA LEARNING CENTER  
*at Canyon Ferry Lake*



ILLUMINATING  
YOUNG  
MINDS



Greater Gallatin  
United Way

LIVE UNITED



of the Lewis & Clark Area

MONTANA  
OUTDOOR  
SCIENCE  
SCHOOL



Montana Natural  
History Center

Connecting People with Nature



ChildCareResources



ExplorationWorks!

family  
connections

helping children, families, & providers thrive



CHILD CARE  
CONNECTIONS



montana  
Science  
Center



GRANDSTREET  
THEATRE SCHOOL



Montana Child Care  
Resource and Referral Network

P.O. Box 1272  
Helena, MT 59624



Ph (406) 449-8408  
Fx (406) 442-8018

[www.mtlha.com](http://www.mtlha.com)

April 20, 2020

Coronavirus Relief Fund Task Force  
c/o Colin Davis, Chico Hot Springs Resort

**Re: Request for funding to establish Montana Tourism Stabilization Fund**

Dear Members of the Coronavirus Relief Fund Task Force,

Thank you for your volunteer work and efforts to serve on the Governor's Task Force to establish priorities for allocating federal funds to assist Montana businesses and citizens who have been greatly affected by the pending COVID-19 Crisis.

Today we are writing you on behalf of the Montana Lodging & Hospitality Association (MLHA) and our members who are unfortunately one of most highly impacted industries effected by the pending pandemic. Our request is made after recent meetings where lodging owners are reporting broad scale employee layoffs, facility closures and many are forecasting difficulty in paying upcoming lodging and property tax payments. As a result, our association has a specific request for much-needed funding from the \$1.25 billion appropriated to Montana through the Federal CARES Act to assist workers, businesses, and sectors of the economy impacted by COVID-19.

Before detailing our request, it is important to consider these highlights that tell the story about what the lodging history is currently experiencing.

- A recent Oxford Study illustrates that over 15,000 Montana lodging jobs could be lost or impacted by the COVID-19 crisis. (report attached)
- A Lodging Industry Impact Report from our national, the American Hotel and Lodging Association (AHLA). **Indicates the following:**
  - As of today, it is estimated that 8 in 10 hotel rooms are empty. (STR)
  - 2020 is projected to be the worst year on record for hotel occupancy. (STR)
  - Right now, half of all hotels are closed at least functionally, if not officially.
  - Lodging facilities that remain open are operating with minimal staffing – on average, full-service hotels are using 14 employees, down from 50 before the crisis. (Hotel Effectiveness)
  - Resort hotels, which averaged about 90 employees per location as recent as March 13, are down to an average of 5 employees per resort today. (Hotel Effectiveness)

- A large majority of hotels are defined as small businesses, and the risk of them going under is especially high.
- An estimated 75% of hotel employees have been laid off or furloughed

The pending crisis is creating significant impact on Montana's lodging industry and today we would like to make a specific ask for up to \$90 million in stabilization funding to assist the tourism industry. These funds would be allocated from the \$1.25 Billion in Federal Funding that will be provided to Montana in response to the economic impacts of COVID 19. Below is a general overview on how the funds would be administered and how the dollars could be utilized.

- A separate state fund would be established and managed by either the Department of Revenue or Department of Administration with a \$90 million balance. We'd reference it as the Tourism Stabilization Fund.
- Lodging properties would collect the standard 8% of lodging taxes through each quarter through the end of 2020.
- They would submit their quarterly report, but not remit the associated tax to Department of Revenue. Rather, the DOR would draw from the Tourism Stabilization Fund.
- This would allow for the distribution of dollars to the General Fund for 4%, the lodging partners at 3% and the Historical Assets at 1%.
- Additionally, lodging properties would be eligible to receive individual property grants. These grants would be based on the difference in how much in lodging taxes they remitted in 2019 each quarter compared to how much they collected in each quarter in 2020. For example, if a lodging facility collected & remitted \$10,000 in the 1<sup>st</sup> quarter of 2019 and in the first quarter of 2020, they collected \$5,000, they would then be eligible for a \$5,000 grant from the Tourism Stabilization Fund.
- At the end of 2020, any unused funds would be carried over to 2021 or developed into grant programs to further fund the general fund and the tourism partners beyond the actual tax reports received.

By establishing a Tourism Stabilization Fund the state could best utilize a portion of the federal funds they will received to help make the general fund whole, protect Regions/CVB's and providing measurable relief to lodging companies.

Sincerely,

*Karen Baker, Chair*  
Montana Lodging & Hospitality Association  
& General Manager, Grouse Mountain Lodge  
[kbaker@grousemountainlodge.com](mailto:kbaker@grousemountainlodge.com) or  
[info@mtlha.com](mailto:info@mtlha.com)



Matt Gibson  
Executive Director  
825 Great Northern Blvd Suite 202  
Helena, Montana 59601  
(406) 443-2850  
mgibson@mtnewspapers.com

Coronavirus Relief Fund Task Force  
*Via email*

April 22, 2020

Coronavirus Relief Fund Task Force:

Montana's state and local governments urgently need to deliver reliable information regarding public health and economic recovery efforts to Montana citizens. But newspapers, the most fundamental sources of useful, up-to-date knowledge in our communities, are suffering now unlike ever before. Already reeling from the last recession, relentless competition from online goliaths like Google and Facebook, and consumer shifts toward online shopping that have weakened local retail spending, many newspapers were already on the brink. Then the screeching economic halt brought by om the COVID-19 pandemic resulted in profound declines in local advertising. Without immediate, substantial, direct relief, dozens of Montana's newspapers could find it impossible to continue publishing.

To help stem the tide, the 85 members of the Montana Newspaper Association urge state and local governments to mount an extensive advertising campaign promoting the benefits of social distancing, explaining the government's plans to reopen the economy, and thanking citizens for their strength and courage. A \$5 million schedule of print and digital advertising placed with Montana's newspapers over the next few months would serve Montanans, boost Montana businesses and the advance the state's public health priorities—meeting critical needs not addressed by other relief measures—while offering local publishers and their employees a fighting chance to continue their essential efforts to serve their communities.

The circumstances are extreme, and the stakes are high. Newspapers knit our communities together in ways that no other institutions can or will. Newspapers connect leaders with citizens, businesses with customers, and neighbor with neighbor, reliably delivering vital information that cannot be found anywhere else—although you could be fooled into believing it can, because the work of newspapers is so often duplicated by others without credit or compensation.

Without Montana's newspapers, government entities would lose their single most important forum for communicating with the people. Local advertisers would lose their best resource for promoting goods and services to their customers. And citizens would lose access to critical facts. In turn, people would become more susceptible to ill-informed attitudes that we can hardly afford during a public health crisis. Without reliable local news reporting, the public's sense of perspective and proportion could suffer in ways that would make coordinated response to COVID-19 much more difficult, if not impossible, aggravating the already overwhelming challenge of restarting our state's economy.

Even if newspapers had no need for urgent relief, a substantial advertising campaign promoting public health and cooperation would serve vital government interests to minimize COVID-19 infections and safely reopen our state's economy. State and local governments should take an aggressive approach to providing clear information to the citizens, offering specific health guidance, explaining the rationale behind rapidly evolving economic policies, and encouraging cooperation. The \$1.25 billion made available to Montanans through the CARES Act includes sufficient resources to develop and execute a comprehensive communications strategy to help lead citizens in a healthy, civic-minded direction for months to come.

**Our Mission:**

**To advance and sustain the news publishing industry in Montana**

Newspaper advertising should be part of that strategy. The 85 members of the Montana Newspaper Association together distribute roughly 90,000 daily printed copies and another 160,000 weekly copies, and they reach hundreds of thousands of readers online. No other media can penetrate as deeply and efficiently into Montana's cities, towns and agricultural regions. The government cannot deliver essential public health messages to a comparable audience of engaged local citizens using any other method. More importantly, no other media can match newspapers as a platform for useful, accurate information of local relevance. As your own reading habits likely confirm, people turn to newspapers for vital facts when it counts, and that's been especially true since the COVID-19 pandemic disrupted life so thoroughly.

Newspapers have an elemental role to play in government efforts to prevent the spread of COVID-19 and safely restart the economy. Dedicated editors and news reporters, compelled to fulfill their calling to serve readers with reliable news and information, will do much of the essential work without being asked. But without significant financial support, Montana's newspapers, the newsroom jobs they support and the valuable work they perform will be imperiled. The CARES Act furnishes resources for state and local governments to promote public health and economic recovery while giving desperately needed relief for a critical industry. On behalf of the newspaper industry and Montana's citizens, the Montana Newspaper Association respectfully requests that the Coronavirus Relief Fund Task Force recommend a \$5 million newspaper advertising campaign as part of the state's relief efforts. Thank you very much for your consideration and for your efforts on behalf of the Montana.

Sincerely,



Matt Gibson  
Executive Director



**To:** Members of Governor’s Coronavirus Relief Fund Task Force  
**From:** Liz Moore, Montana Nonprofit Association  
**Date:** 4.20.2020  
**Re:** Safety Net Services

---

Background:

- Montana has about **2,200 charitable nonprofit employers** with approximately 56,000 employees. That includes about 26,000 healthcare workers.
- Some nonprofits are among the largest employers in the state and were therefore ineligible for PPP loans in Phase 3 relief because they had more than 500 employees. We hope that was fixed in Phase 4.
- Our most recent pulse poll had 150 respondents with 70% having applied for PPP grants and 26% having received PPP funds as of the time of the survey.
- In addition, there are about **5,000 “all volunteer” nonprofits** that are often the fabric of the community, especially in more rural communities – 4-H, Little League, small town cultural centers, etc.

It might be helpful to think of nonprofits in two categories – although this is a little bit cut and dry:

- 1) nonprofits that **take care of the needs of the citizenry** for food, shelter, safety, childcare and youth services, healthcare, shelter and housing, mental health, disabilities, senior services, etc. **Many of these are safety net services.**
- 2) nonprofits that **help create the Montana we love** such as the arts organizations, conservation groups, festivals and events (Sweet Pea, Festival of Nations, Bucking Horse Sale, Symphony Under the Stars, etc.) cultural organizations such as museums large and small, state park foundations, economic development organizations, historic buildings, humanities, education including higher ed., etc. These organizations reflect the way of life we value in Montana. This category might also include houses of worship, Boys and Girls Clubs and Big Brothers Big Sisters, Youth Soccer, Veteran’s support, library foundations and so many more.

**SAFETY NET SERVICES –**

For purposes of the framework developed by the subgroup, this list could be boiled down to social safety net services that include:

- |  |                                      |
|--|--------------------------------------|
| Testing/PPE                                    | Child Protection                     |
| Food   | Law Enforcement/DOJ/First Responders |
| Housing/Rent and Mortgage Assistance/Emergency | Disability Services                  |
| Shelter  | Senior Services                      |
| Health   | TANF Workforce Development           |
| Behavioral Health                              |                                      |
| Domestic Violence                              |                                      |

See below for some of the ways these services are delivered.

**Food:** SNAP, 167 Food Pantries, Home Delivered and Congregate Meals for Seniors, Commodities, Montana Food Bank Network. Demand is up 10-20% in rural MT, 100-200% in larger communities.

**Housing:** Public Housing and Section 8, Homelessness Prevention (Rent and Mortgage Assistance), Affordable Housing Development, Supported Housing; **Rent and Mortgage Assistance is the most urgent immediate request** right now with local community relief funds standing in the gap.

**Emergency Shelter:** Many emergency shelters are faith based and do not have state or federal funding. They are not part of the COVID-19 ESG funding as a result. Their expenses have increased due to increasing quarantine and separate quarters. E.g., some communities are purchasing or leasing motels to house individuals that are homeless.

**Health:** Montana Hospital Association is completing a survey related to the devastating impact of COVID-19. Critical Access hospitals already operate on a razor thin margin; Larger hospitals have born the biggest brunt financially. Also, other health needs are beginning to increase as people wait to have their health care needs addressed. Access to health for most rural and tribal is an issue that could be partially addressed via telehealth. Urban Indian health needs are not met by funding directly to tribes.

**Behavioral Health:** The state has done a very good job expanding flexibility and access as much as possible. Nonetheless, **this is the greatest need** coming up from our membership time and again. Isolation has made it exponentially worse. Especially in communities where telehealth is not available. Also includes residential treatment facilities and group homes for children, youth and adults.

**Domestic Violence:** A network supported by the Montana Coalition Against Domestic and Sexual Violence (MCADSV). It's not unusual in this industry to see the storm weathered and then the uptick happens and in this case no one can leave home to seek help. Numbers are stable. However, an issue is that hotels are declining to house people.

**Child Protection:** In addition to child protective services, schools and children's services such as Head Start, CASA, and Boys and Girls Clubs help keep children safe by virtue of seeing kids. This has perhaps been the most heartbreaking aspect of isolation.

**Law Enforcement/DOJ/First Responders:** This is not as placed in the nonprofit sector although many support services are (re-entry, victim services, legal services, etc.)

**Disability Services:** Montana has several regional large disability services providers who run residential services and day programs, plus health services like PT, OT, Speech, etc.

**Child Care:** both a safety net service and an essential service.

**Senior Services:** Includes Home Delivered Meals which is important as a daily "eyes on the person" check in. Includes Senior Centers which are community hubs and important for food delivery in small towns. Medicaid navigators, adult protective services, etc.

**Workforce Development:** As a safety net service these organizations work with TANF (used to be called welfare) recipients, helping them gain services and resources that promote financial independence. They cannot receive benefits without these programs.

In all cases, navigating services requires an investment in case management. This list does not include all state funded services. Further, it does not break out tribal support. It should be noted that tribal support often leaves out Urban Indian populations which, in Montana, are about 50% of Native Americans in the state.

To: Liz Moore, MNA  
Fr: Deb Halliday  
Da: April 22, 2020  
Re: COVID Relief Funds: Childcare providers

### *Overview*

Over the past three days, I've spoken with leaders in the childcare provider community (birth through elementary/middle school) to identify what resources are needed as Montana begins to recover from the impacts of COVID-19. See below for contacts; letters and memos available.

### *Key Insights*

**Childcare providers serve an essential function in our economy, providing safe and engaging learning for children and allowing families to return to work**

- There are 860 registered and licensed childcare programs in Montana

**The childhood workforce is a largely a low-wage, no benefits workforce with little resiliency to meet the changes in demand and services that Montana's working families will need as our economy recovers**

- Most childcare workers are "making more money" with the \$600/week supplemental unemployment insurance than they do working in a childcare setting
- Communities are reporting that many childcare providers who closed due to COVID-19 may be unable to re-open, as they will be unable to cashflow the cost of operating with new class size restrictions in a way that remains affordable for families

**Childcare providers anticipate an uneven path to recovery, as closures and disruptions due to COVID-19, new safety requirements, and families' economic instability unfolds**

- *Providers anticipate increased expenses* due to new requirements for safety, higher staff to student ratios, facility improvements, and staff training. See below for more detail on anticipated expenses related to COVID recovery.
- *Providers anticipate decreased revenue* as providers offer fewer programs and fewer children are allowed to enroll in existing programs due to new guidelines
- *Providers are concerned that families will be even less able to afford childcare* as families, already struggling with the cost of childcare, will be unable to make up the difference between the actual cost of providing childcare and their ability to pay

**Childcare providers need policies and funding to stabilize the workforce in order to continue to provide essential services during the uneven path to recovery. Some recommendations for stabilizing the workforce include:**

- Establish a state fund to ensure basic operating expenses are met as programs adjust to fluctuating enrollments and uneven demand
- Extend access to health care coverage and hazard pay to childcare workers
- Expand workers compensation eligibility guidelines for staff who contract the virus

- Explore and expand business models that share back office expenses, provide micro-loans and incentivize quality staff training and retention to grow the provider community

**This is a time to invest in Montana's existing childcare provider infrastructure to stabilize the sector, scale programming and expand access**

- Build up the capacity of the Child Care Resource & Referral networks to serve families and early childcare providers
- Best Beginnings and STARS: Increase the daily rate of BB scholarships, expand eligibility and create a fund to incentivize participation in STARS to Quality
- Increase resources for existing afterschool and summer programs to increase the number of students served, such as 21<sup>st</sup> Century Learning Centers and the networks of enrichment programs evidenced in the attached letter co-signed by over 20 providers, under the leadership of the Montana Learning Center.

**Anticipated increases in expenses**

- *Safety equipment:* PPEs, test kits, thermometers, screening tools, cleaning supplies
- *Facility improvements:* replacing fixtures to touchless versions to minimize transference
- *Staff training and personnel:* to ensure safety protocols are consistently implemented

**Contacts**

The following leaders in the childcare provider community generously gave of their time and expertise to inform this memo. I'm grateful for their time; any omissions or misrepresentations are my fault alone.

Laurie Bishop, Director, Montana Afterschool Alliance

Grace Decker, Zero To Five Strategic Collaboration Coordinator, Missoula County

Ryan Hannahoe, Director, MT Learning Center at Canyon Ferry Lake

Meghan Hollifield, Director, MT Child Care Resource & Referral Network

Amy Hyfield, Director, O.P. and W.E. Edwards Foundation

Caitlin Jensen, Director, Zero to 5 Montana

Stephanie Morton, Healthy Mothers Healthy Babies & MT Early Childhood Coalition

Lista, Head Teacher at Mountain Bluebells in Red Lodge, MT

Chelsey Murphy, Director, Front Street School childcare center in Livingston, MT

David Oclander, Director, YMCA Helena

Erin Switalski, Program Director, Headwaters Foundation



April 27, 2020  
Governor Steve Bullock  
Lt. Governor Mike Cooney  
Montana Corona Virus Relief Task Force  
Montana Capitol  
Helena, Montana

Dear Governor Bullock, Lt Governor Cooney and Corona Virus Relief Task Force Members,

The Montana Preservation Alliance, non-profits and businesses across Montana thank you for your extraordinary efforts in acting to address so many of our state's needs in our current health and economic emergency. Your decisive actions have limited the spread of the corona virus in our state and protected the health of our citizens, while also being attentive to the impacts these restrictions have had on health care providers, social services and our economy. It has been a hard time for everyone, and we are enormously proud of your efforts, and those of all Montanans to care for our friends and neighbors.

The allocation of the \$1.25 billion in funds to our state from Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and other response legislation will provide essential funding and programs to begin critical recovery efforts in all of our communities. This is urgently needed funding for us all, essential to ensuring economic vitality and meeting the needs of nonprofit organizations and the small business community across Big Sky country, especially Main Street businesses. We are extraordinarily grateful for your efforts now to ensure that our state will have every chance to stabilize our businesses and recover from this unprecedented time.

The SBA Paycheck Protection Program offered us a lifeline, however, nonprofit organizations continue to operate in a state of economic crisis due to the loss of revenue from closures, event cancellations, and a decline of charitable contributions. As a state and a nation, as we respond aggressively to our national health emergency, we also are mindful that we must work to keep our businesses whole and our nonprofit sector healthy.

A recent study by the National Main Street Center documents the profound threats faced by small Main Street businesses. Approximately 3.5 million small businesses are in danger of permanent closure over the next two months, and nearly 7.5 million are in danger of closing over the next five months as a result of the crisis. Millions of Americans employed by small businesses may face unemployment. This holds true throughout Montana, in cities large and small, rural communities and Indian country.

Therefore we respectfully request that in allocating the corona virus recovery funds in Montana, investments be made to catalyze the economic recovery of nonprofit organizations, small

businesses, the arts and culture sector, and Native American programs, which are the bedrock of small town economies and critical components of our tourism industry. Protecting historic and cultural resources, and boosting our tourism appeal is a proven way to create jobs today and preserve our heritage for tomorrow.

## **Background**

Long ago, the Works Progress Administration and Civilian Conservation Corps were sister programs that emerged during the Great Depression. These visionary programs put people to work on projects that were good for all – parks, schools, armories and roads were all funded through WPA and CCC crews were trained to complete many building projects. Beyond bricks and mortar, there were also cultural projects. In Montana these included *Copper Camp* writings about Butte from the WPA Writers Project, archeological excavations at Pictograph Caves, post office murals, and other legacy projects.

In Montana, we revived this concept when Montana received \$880 Million through the 2008 Economic Stimulus Act to restart our state's economy. In 2009, as our Montana Legislature wisely passed HB645, a sweeping stimulus bill to allocate these funds, grants for historic preservation were part of the solution.

Today, just as there was in the 1930s and the early 2000s, there is great need to get people back into the workforce. The federal government has once again provided a lifeline to states, with the Covid-19 relief bills that aim to turn things around. In addition to social services covering health care providers, at-risk populations and schools, we know our local businesses, our state tourism industry, and community prosperity are in need of a life-saving infusion.

Montana's communities have been working for decades to boost their economic vitality. Under Governor Bullock's leadership the state initiated the Main Street MT-Rural Partners as a response to endemic challenges due to small population, remote locations and limited local capacity. Many of our small town economies have been constricted for 100 years, and Covid-19 may be the last straw for distressed communities, crippling small businesses that now will struggle to reopen.

Historic preservation offers hope in a hard time and proven returns -- creating good paying construction jobs, revitalizing downtowns, and supporting our state's important tourism industry by improving local attractions and visitor experience. We are looking to the past to revive a philosophy of harnessing funds and the talents of people who are unemployed, through a program structured to help hard-hit communities recover and also meet long-deferred needs. Years from now, we can be remembered for rescuing Montana workers and local economies while making a lasting investment to preserve our heritage.

## ***Community Recovery Through Historic Preservation | A 2020 Public Works Program***

We have outlined a formula for committing \$40 Million (just 3% of the total \$1.25Billion) to address funding gaps in local communities and to help stabilize downtowns, and at the same time provide workforce training and preserve woefully-neglected state-owned heritage properties.

Support skilled workers | Reinforce our rural economy | Invest in Montana's heritage

- \$5M Expedited historic preservation grants via existing Montana Department of Commerce [MT DoC] or Montana State Historic Preservation Office [MT SHPO] channels, with a streamlined application to enable project awards in 2020
- \$5M Set aside to match diminished bed tax dollars and strive to fully fund the entire pool of pending applications for 2021 MT DoC Historic Preservation Grants
- \$5M Support funds to Humanities Montana and Montana Arts Council for museums and cultural facilities programming to stabilize the arts and culture sector
- \$3M Funding to the Governor's Office of Community Service to support Montana Preservation Alliance, Montana Conservation Corps and Habitat for Humanity-led historic preservation crews, teaching new skills, putting the unemployed back to work, stabilizing heritage properties, and meeting important housing needs for our neediest citizens
- \$7M Funding through Main Street MT-Rural Partners, Montana's Local Development Corps, MT DoC Community Development Program, MT SHPO, and Indian Country to plan and lead economic development and cultural tourism projects
- \$15 M Stabilization of State-owned Heritage Properties – Montana Heritage Commission, Montana State Parks, and others

Thank you again for your leadership on these issues and your recognition of the economic promise of supporting and preserving our historic and cultural resources. More than 60 heritage, arts and culture groups and leaders have joined us in sending you this letter. We anticipate more groups will sign on to our letter in the coming days. We look forward to working with your team and our partners to secure the funding and programs that will catalyze our state's recovery.

Sincerely,



Chere Justo, Executive Director  
Montana Preservation Alliance

Lesley Gilmore, AIA  
Board Chair, Montana Preservation Alliance  
Gilmore Preservation  
Gallatin Gateway, Montana



*Tools for Living. Experience for Life.*

Jono McKinney | President and CEO  
Montana Conservation Corps  
206 N Grand Ave, Bozeman, MT 59715

Lucas Schad, AIA  
LTS Architecture  
215 E Lewis Street, #102  
Livingston, Montana

Friends of the Yellowstone Gateway Museum  
Livingston, Montana

Rafael Chacon, Director  
Montana Museum of Arts and Culture  
Missoula, Montana

James McDonald, FAIA  
Senior Preservation Architect  
A&E Design  
222 N. Higgins Ave.  
Missoula, MT

Bob Valach  
John Valach & Son Masonry  
Lewistown, Montana

Mary Oliver, Vice President  
Madison Valley Bank  
Ennis, MT

Daniel Moore, Owner  
Black Bear Inn  
Thompson Falls, MT

Forest Fire Lookout Organization  
Kyle Stetler  
149 Saddle Loop Unit B  
Bigfork, MT 59911

Bob Van Slyke, Chairman  
Historic Preservation Board Gallatin County  
Bozeman, MT

Crystal Alegria, Executive Director  
The Extreme History Project  
234 E. Mendenhall St.  
Bozeman, MT 59715

Matt Lautzenheiser, Executive Director  
Historical Museum at Fort Missoula  
3400 Captain Rawn Way  
Missoula, Montana 59804

Discover Deer Lodge Economic Development  
Group  
502 Main Street  
Deer Lodge, Montana 59722  
Terry J. Jennings, President

Charlotte Caldwell  
Board Member Emeritus, MT Preservation Alliance  
Wilsall, MT / Charleston, SC

Shawn and Ann Grove  
Country Rose Antiques, in the  
Historic F.M. Mack Building  
Augusta, MT

Montana Ghost Town Preservation Society  
Brad O'Grosky, President  
PO Box 1861  
Bozeman, MT 59771

Justin Gatewood, Mayor  
Virginia City  
103 W Wallace St  
Virginia City, MT 59755

Ruth Baker & Stacey Hubbel  
The Stevensville Historical Museum, Inc  
P O Box 750  
Stevensville, MT 59870

Lee Whitney, Administrative Coordinator  
Butte Citizens for Preservation & Revitalization  
Butte, Montana

Mike Casey, Realtor  
Trimac Group, LLC  
POB 1067  
Helena, MT 59624

Havre/Hill Co Historic Preservation Commission  
Becki D. Miller, HPO  
PO Box 324  
Havre, MT 59501

Cheryl Lehr, Curator  
Headwaters Heritage Museum  
Trident Railway and Heritage Center  
202 South Main Street  
Three Forks, MT 59752

Broadwater County Development Corporation  
PO Box 698  
Townsend, MT 59644  
Ernie Forrey, President

The Fort Connah Restoration Society  
St. Ignatius, Montana  
Robert St. Louis, Board of Directors

Upper Blackfoot Valley Historical Society  
Erin Dey, President  
PO Box 985  
Lincoln, MT 59639

Dr. Kingston Heath, Professor and Director  
Emeritus  
The Graduate Program in Historic Preservation  
The University of Oregon  
Resident of Bozeman, Montana

Livingston Depot Board of Trustees  
Laura McCarthy-Cota, Executive Director  
Livingston Depot Foundation  
200 West Park Street / P.O. Box 1319  
Livingston, MT 59047

Alan and Nancy Nicholson  
Nicholson, Inc.  
Helena, Montana

Lon Johnson  
Historical Architect  
Columbia Falls, Montana

Candi Zion  
CZ Consulting  
PO Box 122  
Winifred, Montana

Alvaro Freyre  
Holmes Gulch  
Helena, Montana

H. Stewart Parker  
Parker BioConsulting  
Chapel Hill, NC/Livingston, MT

Christopher Weatherly  
Preservation Carpenter  
Stevensville, Montana

Deer Lodge Preservation, Inc.  
Kathy Bair  
Deer Lodge, Montana

Robert Harrison  
Architectural Ceramics  
Helena, Montana

Ally Capps  
City of Miles City Historic Preservation Office  
Po Box 910  
Miles City, MT 59301

Jenna Peete  
Moss Mansion Museum  
914 Division Street  
Billings, MT

Ken Robison  
Historian  
Great Falls, Montana

Randy Hafer, FAIA, LEED AP<sup>BD+C</sup>  
President, CEO High Plains Architects  
Billings, Montana

David Ray Olson, President  
York Historical Society  
6040 Nelson Road  
Helena, MT 59602

Patty Dean, Chief Operating Officer  
Original Montana Club Cooperative Assoc  
PO Box 637  
Helena, Montana

Ninepipes Museum of Early Montana  
69316 US-93  
Charlo, MT 59824  
Suzanne Shope, Registrar, Curator

Elaine Hale, Board President  
The Extreme History Project  
Bozeman, Montana

Ben Tintinger, AiA  
Mosaic Architecture  
428 N Last Chance Gulch  
Helena, Montana

Krys Holmes, Executive Director  
The Myrna Loy  
15 North Ewing  
Helena, Montana 59601

Jacque Lavelle, Historic Preservation Officer  
Deer Lodge Preservation Commission  
Deer Lodge, Montana

Michael Sullivan  
Adroit Business Services  
Missoula, Montana

Jeff Sheldon, AIA  
Prairie Wind Art and Architecture, pllc  
206 W. Boulevard St.  
Lewistown, MT 59457

Jeffrey Schutz  
Cottonwood Bench Rd  
Clyde Park, Montana

Janet Enloe  
Monarch Neihart Historical Group  
PO Box 924  
Monarch, MT 59463

Philip Maechling  
579 West County Line  
Florence, Montana 59833

Josh DeWeese, Professor  
Montana State University School of Art  
Ceramics Area  
213 Haynes Hall  
Bozeman, MT 59717

Jeanette Kopf  
World Museum of Mining  
PO Box 33  
Butte, MT 59703

Pamela J. Attardo, Helena/ Lewis and Clark Co.  
Heritage Preservation Officer  
Lewis and Clark Co. Heritage Tourism Council  
City-County Building, Rm. 234  
316 N. Park Ave.  
Helena, MT 59623

Neal Gunnels, Executive Director  
Huntley Project Museum  
P.O. Box 353  
Huntley, MT 59037

Faith Conroy  
1509 US Highway 287 N  
Cameron, MT 59720

Rachel Phillips  
Research Coordinator  
Gallatin Historical Society/Gallatin History  
Museum  
317 W Main St  
Bozeman, MT 59715

Lincoln School Foundation  
Livingston, Montana  
Bill Campbell, President

Lewis and Clark Co. Historical Society  
P.O. Box 1889,  
Helena, MT 59624

Kasey and Matt Morgan, co-presidents  
Preserve Historic Missoula  
Missoula, Montana

**Sassano, Amy**

---

**Subject:**

FW: [EXTERNAL] Fwd: Open Letter to the Coronavirus Relief Fund Task Force

----- Forwarded Message -----

**Subject:** Open Letter to the Coronavirus Relief Task Fund

**Date:** Tue, 28 Apr 2020 09:12:46 -0600

**From:** Sarah Howell <[sarah@montanawomenvote.org](mailto:sarah@montanawomenvote.org)>

**To:** 'Sarah Howell' <[sarah@montanawomenvote.org](mailto:sarah@montanawomenvote.org)>

Dear Coronavirus Relief Fund Task Force:

Thank you for your service on Governor Bullock's Coronavirus Task Force. You have a difficult task in front of you and I am sure you are receiving input from a wide variety of interests and individuals. We appreciate your thoughtfulness to ensure everyone can recover from both the health impacts and economic devastation as quickly as possible. With that in mind, a variety of organizations came together to create an open letter to encourage you to give special consideration to the populations many nonprofits serve.

The letter is below, as well as linked here: <https://forms.gle/au6i3udZzSr3fe1e7> [forms.gle] The list of signers is still in formation and we will continue to update the list on the linked webpage.

Again, our deep appreciation for your service. Please don't hesitate to be in touch if any of us can be of help in the coming days.

Sincerely,

SJ Howell  
Executive Director, Montana Women Vote

Open Letter to the Coronavirus Relief Fund Task Force

The COVID-19 pandemic and resulting economic recession has had a devastating impact across the state; however, some have been hit particularly hard and face serious and potentially long-term financial insecurity. The undersigned organizations urge Governor Bullock and the Coronavirus Task Force to prioritize directing relief funds to critical social services and other supports for individuals most disadvantaged by COVID-19.

We urge the majority of the funding be allocated toward direct assistance to individuals and support for social services targeted toward unsheltered Montanans, families living in poverty, seniors, Montanans with disabilities, individuals working on the frontlines for low pay, and those in Indian Country. Funding should address longstanding inequities built into our social, economic, and health systems, and cover housing needs, food security, health care, and loss of income, at a minimum. Any state support for businesses should be targeted to those small businesses most vulnerable to the economic downturn and those not adequately targeted through federal relief, including minority-owned and women-owned small businesses. Finally, we urge the Task Force to consider reserving a significant portion of the Coronavirus Relief Fund to respond to emerging needs in the coming months.

Montana's economy will not recover if businesses don't have healthy workers, if parents can't go back to work because they don't have child care, and if individuals lack housing and food. Dedicating funding to those most impacted is critical to Montana's ability to weather this pandemic and create a better state for all of us.

Sincerely,

Abbie Shelter, Kalispell  
ACLU of Montana  
ASPEN - Abuse Support & Prevention Education Network  
Child Care Resources  
Community Harvest Food Bank  
Custer Network Against Domestic Abuse Inc.  
Disability Rights Montana  
Domestic and Sexual Violence Services of Carbon County  
Feed the Need Food Truck, River of Life  
Forward Montana Foundation  
Got Your Back Editing  
Great Falls FISH Inc. Emergency Food Program  
Healthy Mothers, Healthy Babies, the Montana Coalition, Inc.  
Helena Housing Authority  
Hi-Line's Help for Abused Spouses  
Missoula Food Bank and Community Center  
Missoula Housing Authority  
Missoula Interfaith Collaborative  
Montana Budget and Policy Center  
Montana Coalition Against Domestic and Sexual Violence  
Montana Food Bank Network  
Montana Gender Alliance  
Montana Human Rights Network  
Montana Women Vote  
Mountain Home Montana  
MT Child Care Resources and Referral Network  
MT Head Start Association  
Planned Parenthood of Montana  
Richland County Coalition Against Domestic Violence  
Sanders County Coalition for Families  
Saves, Inc.  
Spread the Word 406  
St. Labre Youth and Family Services  
The Parenting Place  
Trust Montana  
Western Native Voice  
YWCA Great Falls  
YWCA Helena  
YWCA Missoula

April 27, 2020

APR 29 2020 AM 8:43

The Honorable Steve Bullock, Governor  
Members of the Coronavirus Relief Fund Task Force  
Office of the Governor  
PO Box 200801  
Helena, MT 59602

**RE: CARES Act Relief Funding**

Dear Governor Bullock and the Coronavirus Relief Fund Task Force:

Both our country and Montana face challenges the likes of which no one has confronted in generations. We know managing the pandemic is has been your focus for many weeks and Montanans are benefiting from your thoughtful management of COVID-19 crisis. Through the federal funding made available through the Coronavirus Aid, Relief, and Economic Security Act or CARES Act, Montana now also has a unique opportunity to strengthen a broad spectrum of programs that are important to Montana's economic health.

As you map out the appropriate investment for relief funds, the National Wildlife Federation urges you to ensure that all Montanans benefit from this federal funding and to recognize that the COVID-19 pandemic is intensifying existing inequalities of wealth, the racial divides that underly these inequalities and the environmental challenges that impact Montana's poorest communities.

We know that you are addressing public health and providing direct relief to families and workers. We urge you to also take this opportunity to catalyze a regenerative economy by investing at least 10% of the CARES Act relief package in green infrastructure, environmental remediation, watershed restoration, climate resiliency, and sustainable agriculture. This timely investment will benefit Montanans by improving the long-term resilience of our physical environment, protecting public health and safety, creating quality jobs, and stimulating our economy. With grant programs already in place through DNRC, DEQ, FWP, and Conservation Districts, investing relief funds in a regenerative economy would be easy and would ensure immediate relief and long-term recovery.

We appreciate your good work and attention to this set of recommendations in this truly unprecedented time.

Sincerely,

Tom France  
Regional Executive Director  
Northern Rockies, Prairies & Pacific Region  
National Wildlife Federation

Tom Puchlerz  
Board President  
Montana Wildlife Federation

240 North Higgins, Suite #2  
Missoula, MT 59802

## Sassano, Amy

---

**From:** Larry Simkins <lsimkins@washcorp.com>  
**Sent:** Thursday, April 30, 2020 3:55 PM  
**To:** Livers, Tom; Sassano, Amy; Schafer, Adam; Evans, Ryan  
**Subject:** [EXTERNAL] FW: MT Coronavirus Task Force

**From:** Larry Simkins  
**Sent:** Thursday, April 30, 2020 3:55 PM  
**To:** Kynan Spethman <kspethman@northstarmso.com>  
**Subject:** RE: MT Coronavirus Task Force

Kynan,

Good to hear from you and thank you for the input. I appreciate the perspective and will make sure this is included in the task force materials.

Our final report is due tomorrow that includes high level recommendations for the Governor and his staff. Included with the report will be an Appendix that includes the granular guidance for specific industries including the information in your email.

Thanks again.  
Larry

**From:** Kynan Spethman <kspethman@northstarmso.com>  
**Sent:** Thursday, April 30, 2020 1:44 PM  
**To:** Larry Simkins <lsimkins@washcorp.com>  
**Subject:** MT Coronavirus Task Force

Howdy Larry!

I noticed you were leading the task force for the Montana Coronavirus Relief Fund. Thanks for doing that! Having met you a few times out at the BBJ here on the ramp, I thought I would email you direct. Happy to discuss over a phone call as well, if you have time?

With the Task Force looking for feedback, I wanted to give you a tiny bit of input from the Aviation world. Don't know if you guys have been getting much feedback from the Aviation industry here in MT, but I hope I can help a touch. The aviation industry has been hit very hard by the economic impact of the Coronavirus. Many operations are struggling to survive.

First off, by the numbers, the Aviation Industry in Montana is a significant contributor to the state's economy. Looks like from a 2016 State of Montana Aviation report, aviation accounts for about 24,000 jobs / \$839M in payroll / \$2.8B in business sales.

<https://www.mdt.mt.gov/aviation/docs/2016/economic-impact/MT-EIS-Technical-Report.pdf>

In term of GDP, a 2017 FAA study shows aviation contributing 3.3% of GDP and 3.6% of jobs in MT.

[https://www.faa.gov/about/plans\\_reports/media/2017-economic-impact-report.pdf](https://www.faa.gov/about/plans_reports/media/2017-economic-impact-report.pdf) [faa.gov]

As a local area business here in Missoula, the effect on business has been significant. Here's a few examples of what we've seen and what the trend has been all around Montana for similar FBO's:

- We've had to close our flight school temporarily.
- We've had to close our PSI testing center.
- General Aviation aircraft traffic has slowed to a crawl.
- Business Aviation traffic has slowed to a crawl.
- Our Part 135 Charter department has gone weeks without flying.
- Airline flights into Montana are down 80-90%, resulting in an obvious trick-down effect.

Please let us know if there's a more effective way of getting the Task Force information that might help.

Take care-

*Kynan G. Spethman*

FBO General Manager



4337 Corporate Way

Missoula, MT 59808

W (406) 721-8886

C (406) 529-6372

F (406) 721-8828

***WE are Neptune! Embracing Family! Firm Handshake! Resilient Spirit!***

\*\*\*\*\*CONFIDENTIALITY NOTICE\*\*\*\*\*

This message is protected by the Electronic Communications Privacy Act, 18 USCS § 2510 et seq., and may not be opened or forwarded without the consent of the named recipient(s). It is not intended for transmission to, or receipt by, any unauthorized persons. If you have received this electronic mail transmission in error, please delete it from your system without copying it, and notify the sender by reply E-mail or by calling Neptune Aviation Services at either 1-406-542-0606 OR 1-800-542-0607, so that our address record can be corrected. Thank you.

This email has been scanned by Washington Corporations using Message Labs Spam Filtering Technology. If this e-mail is SPAM that you no longer want to receive, please refer to the Spam or Junk Email Handling Process ([https://washcorp.service-now.com/kb\\_view.do?sysparm\\_article=KB0011399](https://washcorp.service-now.com/kb_view.do?sysparm_article=KB0011399) [washcorp.service-now.com]). If you are experiencing any other e-mail problems, please call the IT Service Center at 855-WC-IT-NOW or x1212 from any office phone.



APR 28 2020 AM 9:59

April 27, 2020

Governor Steve Bullock  
Lt. Governor Mike Cooney  
Montana Corona Virus Relief Task Force  
Montana Capitol  
Helena, MT

Dear Governor Bullock, Lt. Governor Cooney and Corona Virus Relief Task Force Members;

Snowy Mountain Development Corporation, non-profits and businesses in central Montana thank you for your extraordinary efforts in acting to address so many of our regions needs in our current COVID-19 pandemic. It has been a hard time for everyone in central Montana.

The allocation of the \$1.25 billion in funds to our state from Coronavirus Aid Relief, and Economic Security Act (CARES Act) and other response legislation will provide essential funding and programs to begin critical recovery efforts in communities across Montana. This funding is urgently needed to stabilize businesses including non-profits and for profit businesses.

In the wake of the COVID pandemic, our rural businesses are in crisis. Many will not survive. Our rural economies do not have the elasticity of our urban counterparts and the wholesale closures of non-essential businesses is tugging and pulling at the solvency of our cities and counties. The inability for sole proprietors, independent contractors and the self-employed to successfully secure SBA's PPP and EIDL loans forces them toward Federal Pandemic Unemployment Assistance. Exacerbating these conditions is widespread reticence of rural populations to spend. As the value of products and services and the rate of unemployment skyrocket, stagflation knips hard at the heels of Montana's rural economic development organizations. If our rural communities are to survive this crisis, we must prime the multiplier pump now.

We have 1,625 businesses in the six-county central Montana region. We have been providing ongoing technical assistance, regular communication, and they have completed economic impact forms demonstrating that over 250 jobs will be lost as a result of the COVID Disaster. Over 450 new cases of unemployment were opened in March 2020. We know and can document their financial standing and immediate needs.

We have the organizational infrastructure in place to award, manage and report on every dollar we grant. We currently manage millions of dollars for the EPA Brownfields program that provides grants to governments and non-profit organizations and loans to governments, non-profits and private businesses. We are one of the few economic development organizations within Montana that sub-grant federal funds and have received clean audits throughout the process.

BUILDING COMMUNITY & ECONOMIC CAPITAL

• 507 W. Main Street • Lewistown, MT 59457 • 406.535.2591 • [snowymountaindevelopment.com](http://snowymountaindevelopment.com) •  
[info@snowymountaindevelopment.com](mailto:info@snowymountaindevelopment.com) or [bailey@snowymountaindevelopment.com](mailto:bailey@snowymountaindevelopment.com)

SMDC is a 501(c)3 non-profit Economic Development District (EDD) and a Certified Regional Development Corporation (CRDC). SMDC is an equal opportunity employer, lender, & provider.



### ***Rural Stabilization Program for Small Businesses***

We have outlined a proposal for the central Montana region that will fund gaps in local communities, provide start-up financing to help businesses open their doors, put workforce back to work and off unemployment, stabilize downtowns, while providing an economic engine that can continue to work long into the future. We are requesting \$11 million to create a Rural Stabilization Program for Small Businesses through which we may immediately provide grant/loan assistance to businesses that have already been identified as needing assistance.

The program will be administered in the following manner:

- \$4 Million to provide grants and loans directly to businesses, governments and non-profit entities that will be used to help small businesses stabilize, open their doors, and expand into new markets. The fund will allow for 75% grants (\$3 Million) and 25% loans (\$1 Million) that may be made at 0% to 4% interest rates with a deferred payment period and extremely flexible loan terms. The loan funds will continue to be in a revolving loan fund for future disasters and to diversify the economy.
- \$5 Million will be used to provide grants to local governments for infrastructure improvements, including roads, water, sewer, bridges, public gathering spaces, historic preservation, or other community development projects. The funding may not be more than 75% of the total project costs and will be distributed across the entire region. If allowed, these funds will be used to leverage other private, federal, state or local funds.
- \$2 Million will be used to provide funding for the diminished tax dollars in the region and provide administration/capacity for non-profit organizations impacted by the disaster.

The funding will be used for necessary expenditures in direct response to the COVID-19 pandemic, and will be expended by December 30, 2020. Thank you for your leadership on these issues and your recognition of the economic promise of supporting our rural communities. We look forward to working with you team and our partners to secure the funding and programs that will catalyze our region's recovery.

Sincerely,

Kathie A. Bailey,  
Executive Director

BUILDING COMMUNITY & ECONOMIC CAPITAL

- 507 W. Main Street • Lewistown, MT 59457 • 406.535.2591 • [snowymountaindevelopment.com](http://snowymountaindevelopment.com) • [info@snowymountaindevelopment.com](mailto:info@snowymountaindevelopment.com) or [bailey@snowymountaindevelopment.com](mailto:bailey@snowymountaindevelopment.com)

SMDC is a 501(c)3 non-profit Economic Development District (EDD) and a Certified Regional Development Corporation (CRDC). SMDC is an equal opportunity employer, lender, & provider.



## TOURISM MATTERS TO MONTANA

April 27, 2020

Coronavirus Relief Fund Task Force

### **Re: Creation of Montana Visitor Economy Recovery Fund**

Dear Members of the Coronavirus Relief Fund Task Force,

The visitor economy is one of the top two industries in Montana. This happened because Montana's destination marketing organizations have invested over \$450 million dollars positioning Montana as a destination. What we do creates opportunity for our communities to succeed and generates revenue for our general fund – over \$250 million since 2003. Montana's many DMOs thoughtfully and strategically create a yearly marketing plan to establish a promotion strategy targeting identified markets and audiences to creating a desire to visit, getting visitors to come and stay in the state, region or community area and getting them to come back again and again.

In 2018 over 12 million nonresidents spent \$3.7 billion in direct expenditures and another \$2.13 billion in indirect expenditures, creating \$5.8 billion in new money for Montana's economy. Residents traveling for leisure spent another \$1.1 billion. The travel and tourism industry directly support approximately 43,090 jobs (+16,000 more indirect) and \$1.5 billion in associated labor income.

Since shelter in place went into effect to date, Montana travel business has decreased 85%. Per capita, Montana has been the second hardest hit in the nation. Roughly 85% of businesses in Montana are small businesses. Almost every business sector of the tourism industry is closed or providing limited services until health and safety restrictions have loosened to the point where people can travel more freely. DMOs serve as the voice for small businesses in our communities to promote travel when the time is right. An ITRR survey of Montana's businesses shows how far reaching a decrease in tourism is:

*"The impact on our local community is going to be staggering. Estimate 90-95% of the local economy is tied to tourism and hospitality, as a financial institution we will be very busy assisting customers in a time of financial distress."*

Tourism Matters to Montana is a group of regional and community organizations dedicated to promoting our areas as travel destinations. We work cooperatively with public and private partners to market Montana both domestically and internationally. Tourism Matters to Montana is made up of 25 destination marketing organizations across Montana including Tourism Regions, Convention and Visitor Bureaus and Tourism Business Improvement Districts. We are responsible for promoting our communities as attractive travel destinations and enhancing the location's public image as a dynamic place to live and work. DMO's primary customers are not the visitor but rather our community. If we look at who benefits from our efforts, it is the residents of Montana. They are who we are helping. Through the impact of travel, we strengthen the economic position and provide opportunity for people in our communities.

COVID-19 is a global health crisis that is still in a state of high risk. DMOs are preparing our FY 2021 marketing plans that will provide us with the strong foundation we will use to respond, research, strategize, develop, implement, test, monitor and adjust our efforts based on the current state of the public health and safety of our communities. Destination marketing will be critical in the Montana's recovery from COVID-19.

DMO's rely on lodging tax dollars and TBID fees to fund our marketing efforts. In order to do that we need people to travel. The next 12 months will be tricky as travelers need to know where to go, what to do and when to do it. DMOs are needed now more than ever. Our biggest hurdle to being able to kickstart our economy is funding.



**TOURISM MATTERS  
TO MONTANA**

We propose the following:

Creation of:  
**Montana Visitor Economy Recovery Fund**

Total Grant Amounts: \$75,000,000

Distribution marketing grants to officially recognized destination marketing organizations and agencies:

- Central Montana	\$ 700,000
- Glacier Country	\$ 3,800,000
- Missouri River Country	\$ 400,000
- Southeast Montana	\$ 900,000
- Southwest Montana	\$ 800,000
- Yellowstone Country	\$ 3,000,000
- Belgrade	\$ 300,000
- Big Sky	\$ 2,500,000
- Billings	\$ 2,300,000
- Bozeman	\$ 1,900,000
- Butte	\$ 1,000,000
- Dillon	\$ 200,000
- Gardiner	\$ 250,000
- Glendive	\$ 250,000
- Great Falls	\$ 850,000
- Havre	\$ 100,000
- Helena	\$ 800,000
- Kalispell	\$ 800,000
- Livingston	\$ 150,000
- Miles City	\$ 250,000
- Missoula	\$ 1,700,000
- Red Lodge	\$ 150,000
- Sidney	\$ 100,000
- West Yellowstone	\$ 2,000,000
- Whitefish	\$ 900,000
- TBIDs not associated with CVBs	\$ 500,000
- Indian Country	\$ 400,000
- Montana Office of Tourism + Film Office	<u>\$30,000,000</u>
- <b>Total Destination Marketing Grants</b>	<b>\$57,000,000</b>

**Dedicated tourism partner grants:** **\$18,000,000**

- Montana State Parks
- Aquatic Invasive Species
- Montana Heritage Commission
- Montana Historical Society
- Institute of Tourism and Recreation Research

**Tax relief program** for tourism businesses and organizations significantly impacted including restaurants, bars, craft beverage tap rooms, lodging, outfitters/guides, retail, ticketed events, fee-based attractions, outdoor recreation, motorized/mechanized rentals, guest ranches, resorts, dude ranches, chambers of commerce, economic development corporations.



## TOURISM MATTERS TO MONTANA

**Dedicated tourism grants and low interest loans** for small business and nonprofit organizations, including those excluded from the federal programs like Payroll Protection Program (PPP). 501(C)(6) nonprofit organizations are associations, such as chambers of commerce, economic development corporations, downtown associations and DMOs. Although they are organized to promote business, they don't generate a profit and don't pay shares or dividends. That qualifies them as non-profit organizations, exempt from paying income tax. Their purpose is to promote business and our communities need them during the recovery phase.

DMOs anticipate visitation to be about 20% of normal April – June – depending mostly on June. We expect visitation to be down to as low as 50% July – October and hope to rebound to closer to 80% by next winter. The health and safety of our communities will be put first and to that extent, we expect that events larger than 200 will be postponed or cancelled including festivals, concerts, weddings, family reunions, conventions, art shows, rodeos, parades, pow wows, 4<sup>th</sup> of July celebrations, etc.. Combine group size limitations with interstate and international travel restrictions, and we have some significant obstacles to overcome. Every destination in the world is facing these challenges. We have an incredible opportunity to be ahead of everyone else if we are able to hit the ground running with effective and efficient marketing plans.

Sincerely,

Tourism Matters to Montana

*Specifically,*

Beaverhead Chamber of Commerce/Convention Visitor Bureau  
Belgrade Chamber of Commerce/Convention Visitors Bureau  
Butte Convention and Visitor Bureau  
Central Montana  
Destination Missoula  
Gardiner Chamber of Commerce Convention and Visitors Bureau  
Glacier Country Regional Tourism Commission  
Glendive Chamber of Commerce and Agriculture  
Great Falls Convention and Visitor Bureau  
Helena Convention and Visitor Bureau  
Livingston Chamber of Commerce  
Miles City Chamber of Commerce/Convention and Visitor Bureau  
Missouri River Country  
Red Lodge Chamber of Commerce/Convention and Visitor Bureau  
Sidney Convention and Visitor Bureau  
Southwest Montana  
Visit Big Sky  
Visit Billings  
Visit Southeast Montana  
Destination Yellowstone (West Yellowstone Chamber of Commerce)  
Yellowstone Country Montana, Inc.



118 E. Seventh Street; Suite 3F \* Anaconda, MT 59711 \* 406.563.5259 \* medamembers.org

April 24, 2020

The Honorable Steve Bullock  
Governor of Montana  
P.O. Box 200801  
Helena, MT 59620-0801

RE: State CARES Act Recommendations

Dear Governor Bullock,

Thank you for your balanced leadership of Montana through the COVID-19 crisis. We agree that protecting public health is and remains the top priority.

On behalf of the Montana Economic Developers Association (MEDA), we submit these recommendations for your consideration.

CARES Act funds present a challenging opportunity to immediately improve the economy of Montana communities and regions. Montana economic developers have stepped up to make a significant difference in preserving local and regional businesses and jobs. We have the skills, knowledge, commitment and local/regional relationships necessary to wisely put federal CARES Act funds to work over the next eight months to preserve, strengthen and grow Montana's economy.

### **Principles**

We recommend these key principles be followed in using CARES Act funds for Economic Assistance.

#### Fairness

- All Montana economic development entities (public, nonprofit and tribal) should have equal access to apply for funds through a brief, open round requests for proposals.
- All communities and regions of our state should have the opportunity to apply for funds.
- Special consideration should be given to underserved areas and populations.
- Geographically balanced distribution is of paramount importance if rural businesses are to survive.

#### Speed

- Funds need to flow quickly to economic development entities that they can put to work between now and December 30.
- Whenever possible, existing relationships and programs should be utilized to expedite funds.

#### Short & Long-term Impact

- Priority should be given to funding proposals that offer both immediate and long-term economic impact, enhancing Montana's economic development capacity for years to come.
- Revolved funds (revolving loan and equity funds) seeded with CARES Act monies should be allowed to be retained by local and regional economic development entities to expand long-term capacity.

#### Specificity and Flexibility

- Funds should be awarded to economic development entities based on clear scopes of work, budgets, and timeframes.

- The greatest possible flexibility should be provided to economic development entities to propose scopes of work/assistance that best address local and regional conditions and opportunities.

#### Performance & Accountability

- Contracts should detail allowed use of funds, required documentation and reporting, and clear performance goals.
- Priority should be given to economic development entities with a proven track record of success and the capacity to administer federal funds.

#### **Economic Assistance Priorities**

##### Immediate Safety Net

- Small business grant and low-interest loan programs to help preserve as many businesses as possible, funded by grants to local and regional economic development entities to fill that gaps not covered by federal PPP and EIDL loan programs or private lenders.
- Small business advising and training services to help businesses adapt to operating successfully in varying degrees of COVID-related restrictions to supplement the limited capacity of Small business Development Centers, Montana Manufacturing Extension Center and others, funded by grants to local and regional economic development entities.
- Business retention outreach efforts to assure that all Montana businesses, especially micro-enterprises, minority and women-owned enterprises, and rural businesses are aware of and can gain access to available resources, funded by capacity grants to local and regional economic development entities.

##### Business Stabilization

- Flexible revolving loan and equity fund grants to local and regional economic development entities that increase their capacity to provide creative gap and bridge financing to: 1) help stabilize existing businesses; 2) help entrepreneurs start new businesses; and, 3) help get business expansions, commercial real estate, and housing projects into action this year.
- Capacity funds to local and regional economic development entities to enable them to undertake market analysis, strategic planning, workforce training, and creative pivot strategies to address threats and opportunities created by COVID-19.
- Infrastructure funds to help shovel-ready projects get into construction this season, including economic development projects that will create new job opportunities.

##### Tourism/Hospitality Jump Start

- Local and regional destination marketing funds to help tourism organizations.
- Capacity funds to local and regional destination marketing organizations to undertake market analysis, pivot creative strategies and adapt to the new and evolving environment.

Thank you for your leadership through these challenging times and for your continued support of Montana economic development efforts. We are committed to continuing our long-standing partnership with your office and Montana state agencies to stabilize, recover, strengthen and grow Montana's economy for the benefit of all communities and regions, and all Montanans.

Signed on behalf of MEDA,



Steve Arveschoug, MEDA President; Big Sky EDA  
 Jim Atchison, Southeastern Montana Development Corp.  
 Kathie Bailey, Snowy Mountain Development  
 Chris Cerquone, New Fields  
 Sarah Converse, Sweetgrass Development  
 Brett Doney, Great Falls Development Authority  
 Rick Edwards, NorthWestern Energy  
 Beth Epley, Eastern Plains Economic Development Corp.  
 Craig Erickson, Great West Engineering  
 Paddy Fleming, Montana Manufacturing Extension Center  
 Russ Fletcher, MATR.net  
 Tim Guardipee, Native American Development Corp.  
 Marie Hirsch, Lake County Community Development  
 Sara Hudson, Snowy Mountain Development Corporation

Grant Kier, Missoula Economic Partnership  
 Tori Matejovsky, Great Northern Development Corp.  
 Tracy McIntyre, Montana Cooperative Development Cr.  
 Leslie Messer, Richland Economic Development  
 Kim Morisaki, Montana West Economic Development  
 Brian Obert, Montana Business Assistance Connection  
 Paul Reichert, Prospera Business Network  
 Toni Schneider, Cushing Terrell  
 Steve Simonson, Beartooth RC&D  
 Jim Thelan, Lake County Community Development  
 Paul Tuss, Bear Paw Development Corporation  
 Adam Vauthier, Anaconda Local Development Corp.  
 Joe Willauer, Butte Local Development Corporation

**Sassano, Amy**

---

**Subject:**

FW: [EXTERNAL] The Pub Station - Billings, MT

**From:** Sean Lynch <[sean@1111presents.com](mailto:sean@1111presents.com)>  
**Sent:** Friday, May 01, 2020 9:41 AM  
**To:** Bullock, Governor <[governor@mt.gov](mailto:governor@mt.gov)>  
**Cc:** Schafer, Adam <[ASchafer@mt.gov](mailto:ASchafer@mt.gov)>  
**Subject:** [EXTERNAL] The Pub Station - Billings, MT

Dear Governor Bullock,

I am writing today as the owner of The Pub Station, an entertainment venue in Billings, MT. We are a Montana owned and operated business that just celebrated our 5 year anniversary in November. As you know, we are living in unprecedented times with Covid -19, and our industry is uniquely in a tough spot. We are in the business of gathering patrons, which for the foreseeable future, will not be possible. Music and entertainment venues are some of the few shuttered businesses considered as "Phase 3" business for re opening. Even after the ability to partially open, we still may not be able to operate at full capacity for the next 12-18 months, which is the key to the success of our business. Our industry, unlike others, is also dependent on surrounding states easing restrictions and progress on containment for artists to be able to "route" a tour to Montana. It is a fact that is plaguing our industry as a whole nationwide.

Entertainment and music in particular add vibrancy, culture and appeal to local communities. Even more than just culture, entertainment is a major economic driver for all municipalities, especially ones in Montana. There are studies that cite direct and indirect economic impacts of a music venues at \$10-\$12 in the community for every dollar spent at a venue. That puts the economic impact of the Pub Station between 18 million conservatively, to 26 million annually on the high end for the Billings community. When you add in local assets including Alberta Bair Theater, Babcock Theater, NOVA, and Billings Studio Theater, the impact is likely over 100 Million + dollars annually. While no studies have been done exclusively in Billings MT, I personally field calls from downtown restaurants and breweries weekly asking about event ticket sales. With our events bringing 55,000+ people to downtown Billings annually, restaurants have learned to increase their staff with anticipation of busier days when we have an event. We have seen local hotels advertise our events, asking out of town patrons to stay with them when coming to Billings for Pub Station events. While this isn't exactly science, it is real life. The economic impact is real in Billings MT, and felt by many businesses other than ours. Big Sky EDA, Billings Chamber and the TBID are all in agreement about the true impact to local businesses generated from entertainment.

Over the past weeks, I have been in contact with many music venues in the state. In particular, I have been in steady contact with our friends at Logjam presents in Missoula. Both the Pub Station and Logjam have added to their cities appeal in the past 5 years, and we both have large impacts on our communities. Nick Checota has passed along and consulted me on a plan he submitted for consideration to your task force named "Phase Three Shuttered Business." After reading, I agree completely with Mr Checota's assessments of our unique industry, and encourage you and your task force to consider the recommendations put forth for entertainment. While other industries have seen a 40-50% decline in revenue, we have seen a 99+% reduction in revenue, and even negative revenue when ticket refunds for shuttered and cancelled events are taken into consideration. With being a phase 3 businesses to reopen fully, we anticipate this same reduction for the next year, if not longer. I appreciate you not wanting to pick "winners and losers" in your consideration, but the situation that our business is in is unique, and the local impact is real. When the state mandates that business remain shuttered, it should provide sufficient economic support to allow that business to remain sustainable until we are able to reopen fully. Therefore, I hope you will consider including entertainment

venues in the economic recovery for Montana. Right now it is so important, not just for us, but for our communities.

Thank you for your time and consideration.

I have pasted a copy of Mr Chectoa's plan below for reference.

Sean Lynch  
Owner - Pub Station / Billings, MT  
[sean@1111presents.com](mailto:sean@1111presents.com)  
406-671-8565 - cell

Letter from Mr Checota to Governor Bullock:

Dear Governor Bullock:

After speaking with several of performing arts organizations, venues and entertainment promoters, and considering the requirements outlined in the "Reopening the Big Sky, Phased Approach" (Phased Reopening Plan), I felt compelled to provide additional thoughts regarding the impact, and subsequent solutions, regarding the unique situation facing this aspect of our economy. **These organizations are impacted like no other and are exclusively shuttered as "Phase Three" businesses and organizations.**

As the only portion of our economy that will remain shuttered through Phase Three, the live entertainment and performance arts are unquestionably experiencing the most significant business impact from COVID-19. **These businesses and organizations are being asked to make the greatest sacrifice of any Montana organization** as we work to protect the most vulnerable people in our state, putting these businesses in their own unique classification.

Under the Phase Reopening Plan, the live entertainment and performance arts **have lost 100 percent of their revenue and will continue to be shuttered for an unknown extended period, which could last 12 months or more.** With uncertainty around timing, these businesses and organizations are unable to plan and operate. If support is not provided to these shuttered businesses, most will not survive, decimating the Montana arts and cultural scene, which in turn will have a large financial impact on the communities in which they operate. (As indicated in my prior letter, it is widely accepted that for every \$1 in ticket revenue, the community experiences direct and indirect benefit of 10 to 12 times.)

To address the unique situation facing this segment of our economy, I recommend that Montana create a dedicated program for businesses that fall within Phase Three. Given that it appears that live entertainment and performance arts are the only entities restricted by Phase Three, the following recommendations are tailored specifically for this segment.

- **Eligibility.** Limit participation in this program to private and not-for-profit organizations that have 90 percent or more of their operations (based on 2019 revenue) shuttered due to Phase Three restrictions. This distinction will ensure that the support is going only to those businesses that are unable to operate due to the Phase Three restrictions and have the greatest need. Also, limit eligibility to Montana-based companies that employ Montanans and keep capital in our communities. Large companies, such as the \$10 billion publicly traded Live Nation, should not benefit from programs designed to provide relief for the Montana economy. I would also not include city, county or state-owned facilities and would recommend, if needed, these facilities be funded as part of a separate government support package.
- **Financial Assistance for Operations.** A one-time, forgivable payment that will enable these organizations to survive until they are allowed to reopen under the Phased Reopening Plan. Most of these organizations are heavily invested in the facilities in which they operate and have already incurred debt to purchase, and/or construct/remodel their venues. It should be noted, many of these organizations have invested and restored

historic venues such as the Wilma Theater (built in 1920, renovated in 2015), and the Alberta Bair (built in 1930, currently under renovation). In many

---

cases, these historic cultural centers are the crown jewels of our communities. As a result of these investments, few of these organizations are in a position to incur additional debt to counter the mandatory shuttering associated with Phase Three.

Based on industry benchmark standards, most organizations in this industry have operating costs equal to approximately 70 percent of revenue. I would suggest using a formula based off of 2019 revenue (either looking at tax returns, or if not yet filled, compiled or audited financials). While it is uncertain when Phase Three will be implemented, it is fair to assume that most of these organizations will be shuttered for six to nine months, if not longer. Most live entertainment and performance arts organizations were shuttered in March of 2020, and it is very unlikely that these organizations will be allowed to resume operations prior to fourth quarter 2020. As a result, I recommend these organizations be eligible for a one-time, forgivable payment equal to 70 percent of 3/4 (nine months) of 2019 revenue.

- **Timing.** Given that these organizations have already been shuttered for approximately two months, I recommend the entire payment be made available immediately. These organizations have likely been required to cancel their 2020 Summer schedules and are being required to refund tickets, which is creating immediate and intense cash flow pressures associated with this distressed inventory. (Most events are being canceled through September of 2020.) Quickly allocating funds to assist these organizations to manage through the mandatory Phase Three shuttering is critical if these organizations are to continue to operate and ultimately survive. Delayed action could result in the inability of these organizations to continue to operate.
- **Channel Delivery.** Evaluating the operating statements and verifying information will require expertise and financial sophistication. I would recommend that the banking industry be tasked with verifying qualification, revenue and dispersing of funds. Using banks will be the most accurate, expedient and accountable approach.
- **Use of Funds.** These organizations should be restricted to use the funds to address the following payments: debt obligations associated with their facilities, rent associated with their facilities, refunding tickets for canceled shows, property taxes associated with their venues, wages for key staff, rental equipment costs, facility maintenance and expenses incurred related to canceled events.

While all impacted organizations in Montana are in need of support, I would argue that given the magnitude of impact (100 percent revenue loss) and the potential length of impact (the only Phase Three business with a unknown length of shuttering) performance arts and live entertainment are in the “greatest need” category and should receive some of the highest priority. Many other businesses will be reopened in the coming weeks and have received federal assistance to help them through this period. The federal assistance programs do not serve the period of time the performance arts and live entertainment organizations need to survive until Phase Three is implemented --making this segment of our economy in need of the most assistance.

I appreciate that the Governor wants to avoid “picking winners and losers” under the relief efforts. That said, I believe that **when the state mandates a business remain shuttered, it should provide sufficient economic support that allows that business or organization to remain sustainable until operations are allowed to resume.** Not only do these businesses provide an important economic benefit, but the cultural impact to the communities in which they operate is priceless. Live entertainment and

performance arts are key components that make our communities unique and vibrant. If these organizations are unable to survive, our Montana communities will never be the same. A price cannot be attributed to losing our historic theaters, symphony performances, theatrical productions and live music events. These places and events bring our communities together and create a sense of belonging.

Sincerely, on behalf of the dozens of Montana-based venues and promoters,

Nick Checota  
Owner of Logjam Presents, Wilma, KettleHouse Amphitheater, Top Hat, and the ELM



**SEAN LYNCH**  
**OWNER / BUYER**  
**PUB STATION PRESENTS | BILLINGS | MT**  
**NOW BOOKING**  
PUB STATION TAPROOM AND CONCERT HALL  
RED OXX EVENT LAWN (SUMMER)  
ZOO MONTANA (SUMMER)  
O. 406-894-2020 C. 406-671-8565

CONFIDENTIALITY: This message is a private communication and is intended only for the named addressee. It may contain information which is confidential, proprietary and/or privileged under applicable law. If you are not the designated recipient, you may not review, copy or distribute this message. If you receive this message in error, please notify the sender by reply e-mail and delete this message from your system. Thank you.

April 29, 2020

Dear Governor Bullock and the Relief Fund Task Force,

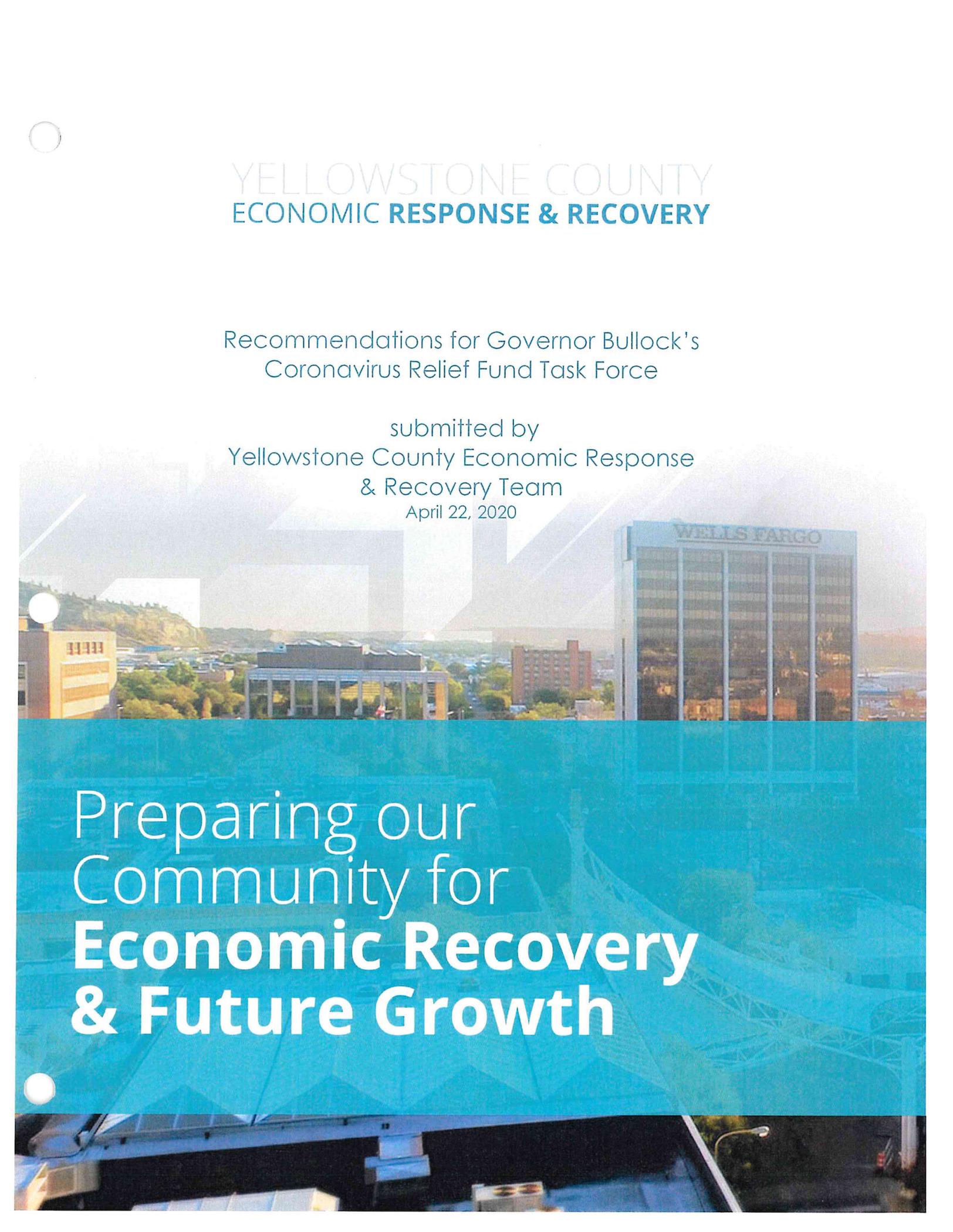
The Governor's Tourism Advisory Council was established in 1987 to oversee the distribution of bed tax dollars to the state's non-profit Tourism Regions and Convention & Visitor Bureaus. It's the Council's responsibility by statute to advocate for tourism, and advise the Governor and Department of Commerce on tourism related matters. There are several plans circulating at this time to assist with current impact, and to establish a baseline for future promotion. The Tourism Advisory Council (TAC) recommends the following measures:

1. Bed Tax revenues need to be equal to 2019 calendar year collections plus 7% increase (historical increase for past several years) approximately \$38,325,000
  - a. This would permit MT Office of Tourism & Business Development (MOTBD), Tourism Regions, and Convention & Visitor Bureaus (CVB's) to have a stable revenue stream.
  - b. Partners who receive bed tax dollars: Montana State Parks, Aquatic Invasive Species, Montana Heritage Commission, Montana Historical Society and Institute for Tourism and Recreation Research (U of M) would receive their funding. The actual dollar amount would be equal to the \$38,325,000 less projected collections for FY2021
2. MOTBD would receive an additional \$12 million
  - a. \$6 million for MOTBD to execute additional marketing efforts, in coordination with Regions and CVBs, after consultation with the TAC.
    - i. Fund would be used for marketing efforts and cannot be used for rebuilding websites, etc.
  - b. \$6 million would be used for marketing grants to CVB's for marketing efforts, priority given to collaborations with MOTBD. Funds would be used for direct marketing efforts and not for Visitor Information Center staffing, etc.
3. The TAC would approve the marketing plans and budgets of the Regions and CVB's (statutory).
  - a. The marketing plans include measurable goals for bringing tourism back-(jump-starting).
  - b. Approval of marketing plans by the TAC insures adherence to the "Montana" brand standards
    - i. The Brand Pillars- More spectacular, unspoiled nature than anywhere else in the lower 48, Vibrant and charming small towns that serve as gateways to our natural wonders, and Breathtaking experiences by day, and relaxing hospitality at night
  - c. TAC approval of marketing plans and collaboration with MOTBD ensures the steps of Inspiration, Orientation, and Facilitation are followed. The TAC would monitor the expenditure of funds through audits (statutory)

Council members are leaders in Montana's tourism industry, themselves business owners, hospitality professionals, gas station corporation managers, museum and zoo directors, economic development directors, airport directors, health care professionals, tribal members, destination event producers, tour operators and others who represent a vast network of tourism businesses that make up Montana's most economically impactful industry. Together, we have real-time opportunity to demonstrate the value of public and private partnerships.

Regards,

Tourism Advisory Council

The cover features a background image of a cityscape with a prominent Wells Fargo building. A large, semi-transparent blue geometric pattern is overlaid on the image. The text is centered and uses a mix of blue and white colors.

YELLOWSTONE COUNTY  
ECONOMIC **RESPONSE & RECOVERY**

Recommendations for Governor Bullock's  
Coronavirus Relief Fund Task Force

submitted by  
Yellowstone County Economic Response  
& Recovery Team  
April 22, 2020

Preparing our  
Community for  
**Economic Recovery  
& Future Growth**

YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM  
A BRANCH OF THE YELLOWSTONE COUNTY COVID-19 COMMAND

April 22, 2020

Governor Steve Bullock  
and the Coronavirus Relief Fund Task Force

Governor Bullock and Taskforce Members,

The Yellowstone County COVID-19 Command--Economic Response and Recovery Team hereby submits the following recommendations for your consideration related to the effective deployment of the Coronavirus Relief Funds.

We very much appreciate this opportunity to forward these recommendations to you on behalf of the 1000s of businesses in Yellowstone County that are suffering greatly under the impacts of COVID-19. Likewise, we offer these recommendations in support of the over 11,000 workers and their families who are bearing the pain of lost jobs and uncertain future income.

These impacts are real, as our data represents, and we seek your partnership in addressing these impacts in two ways: 1) as an "emergency response" to real economic crisis; and 2) as an effort to stabilize our business community and workforce for the difficult recovery ahead.

Our packet includes data representing the scope of the current and projected impact to our economy, as well as real-time input from our business community through a Business Impact Survey conducted April 20-21, 2020. We had over 580 Yellowstone County businesses respond to this survey within thirty hours, expressing their challenges and expectations for a response that will go to the heart of addressing their needs and that of their employees.

The Yellowstone County regional economy is a significant part of the Montana business and employment base, and we are hopeful to fully re-engage this economy with your help.

Respectfully,



Steve Arveschoug  
Yellowstone County COVID-19 Command, Economic Response & Recovery Branch Lead  
- submitted on behalf of the Yellowstone County Economic Response and Recovery Team

# YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM

## A BRANCH OF THE YELLOWSTONE COUNTY COVID-19 COMMAND

### **MISSION STATEMENT**

Support and sustain our local businesses during this time of significant economic distress and prepare the community for economic recovery and future growth and development.

### **PURPOSE OF ECONOMIC RESPONSE & RECOVERY TEAM**

Working as a branch within the Yellowstone County COVID-19 Command, the Economic Response & Recovery Resource Team will coordinate the immediate needs of our business community, identify gaps in services and resources, guide the development of the community's near-term (6 months to 1 year) economic recovery plan and help to define objectives for a comprehensive economic development strategy designed to build the foundation for our future community and economic growth.

### **TEAM MEMBERS:**

1. Steve Arveschoug (Team Lead), Big Sky Economic Development
2. John Brewer, Billings Chamber of Commerce
3. Katy Easton, Downtown Billings Partnership
4. Lilly Corning, (retail/commercial development) Corning Companies
5. Kris Carpenter (retail) Joy of Living/Sanctuary Spa and Salon
6. Mike Nelson (hospitality) Northern Hotel
7. Ty Elkin (healthcare) St. Vincent Healthcare
8. Taylor Brown (agriculture) Northern Ag Network
9. Courtney Kibblewhite (agriculture/media) Northern Ag Network
10. Don Jones (Yellowstone County Commissioner)
11. Shaun Brown (Billings City Council)
12. Mike Seppala (banking) Western Security Bank
13. Bill Coffee (banking) Stockman Bank
14. Brian Brown (banking) First Interstate Bank
15. Martin Dewitt (SBA)
16. Steve Simonson (regional economic development) Beartooth RC&D
17. Leonard Smith (Native business) Native American Development Corp.
18. Mary Walks Over Ice (Native business) Native American Development Corp.
19. Matt Robertson (commercial real estate) NAI Business Properties
20. Kim Jakub (natural resources) ExxonMobil
21. Bryan Wood (manufacturing) Wood's Powr-Grip
22. George Warmer (commercial real estate) Coldwell Banker Commercial
23. Brad Anderson (restaurants) Anderson Management Group
24. Alex Tyson (tourism) Visit Billings
25. Dr. David Graham (public health) St. Vincent Healthcare
26. Ken Lutton (IT) Technology by Design/Yellowstone Tech Sector Partnership

This team will change over time as the effort evolves from immediate response and coordination of resources to a recovery plan and comprehensive economic development planning gets underway.

# YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM

## A BRANCH OF THE YELLOWSTONE COUNTY COVID-19 COMMAND

### **YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY WORKGROUPS**

1. Response Coordination/Communications

*Co-Chairs, Kelly McCandless (Billings Chamber of Commerce) and Melanie Schwarz (BSED)*

Purpose: To actively coordinate efforts to support the immediate needs of our business community, identify gaps in services/support, and effectively communicate/inform the business community about resources (website: yceconomicrecovery.org)

2. Economic Impact Assessment

*Co-Chairs, Allison Corbyn (BSED) and Andy Zoeller (City of Billings)*

Purpose: To assess and document the economic impact to our community, including those sectors and organizations which have been hardest hit, then provide an analysis and summary of this impact data that can be used to support funding requests and educate and inform the economic recovery planning process.

3. Strategic Restart Partnership

*Co-Chairs Lilly Corning (Corning Companies) and John Brewer (Billings Chamber of Commerce)*

*John Felton (RiverStone Health) and Dena Johnson (SBDC Regional Director)*

Purpose: Develop a set of guidelines that would support the reopening of our impacted businesses in partnership with our Public Health Officer and the Governor's Coronavirus Taskforce, and encourage a strategic approach to the reopening of our businesses that would support public health and business operations, protecting staff and customers alike. Additionally, provide a "restart tool kit" and expertise that would support questions and issues related to restarting under the public health guidance.

4. Recovery Plan Development/Implementation

*Co-Chairs Steve Arveschoug (BSED) and Dan Brooks (Billings Chamber of Commerce)*  
*Thom MacLean (BSED)*

Purpose: Develop and implement an economic recovery plan that serves to prioritize the projects and initiatives that best supports our economic recovery for the near term and for the next three years. This plan would guide our funding requests under the State's Relief Funds Program (\$1.25 B in federal dollars) and position the community to secure federal or other funds to support the priorities under the recovery plan.

## BACKGROUND

### ECONOMIC IMPACT

As a regional hub, and the largest community in Montana, Yellowstone County's economic impacts from the COVID-19 disruption will be severe. In fact, in a recent COVID-19 Economic Vulnerability Index developed by Chmura Analytics<sup>1</sup>, **Yellowstone County ranks as the 322<sup>nd</sup> most vulnerable county out of all 3,141 in the nation.** The most vulnerable industries identified in this report are the same ones that play a large role in driving Yellowstone County's economy. Using the top ten most vulnerable industries and the anticipated job loss by industry, the calculated **job loss for Yellowstone County will be a minimum of 10,620 jobs, representing 12% of total employment. This will mean a loss in wages of \$321,433,392 and a \$1.7 billion-dollar loss in overall economic output.**

While this data provides a big-picture representation of the COVID-19 disruption, understanding the status and needs of businesses in Yellowstone County is critical to comprehending both the problem and opportunities for solutions. On Monday, April 20<sup>th</sup>, a survey was deployed in Yellowstone County to business owners. That survey has received over 580 responses – reflecting a statistically significant response rate with a 95% confidence level. The recommendations articulated in this document reflect that input and an overview of survey results are located on pages 6-7.

**One of the many takeaways from the survey was that the federal programs have not fully met the needs that many companies face.** While support through the SBA's Disaster Loan Emergency Advance and the Paycheck Protection Program has helped some businesses, it has not been as effective as once hoped. Dollars from these programs have been difficult to access, not available for some businesses, and too slow to make an impact on real daily expenses. Additionally, these funds are intended as short-term assistance, when it has become clear longer-term assistance is needed. There is a new PPP program that is anticipated to assist more businesses, but in the same narrow, short-term manner as the first PPP program. **Federal assistance in the form of the PPP Program does not support the long-term sustainability of Yellowstone County businesses.**

The impacts to the Yellowstone County regional economy will have a ripple effect on the state economy. It is imperative that the CRF be used in a way that supports and sustains Yellowstone County businesses and workforce, giving our region a springboard toward economic recovery. Therefore, a recovery framework and recommendations are articulated in the following pages that will meet the immediate needs described above and will position Yellowstone County, and the region, to start rebuilding the economy in the crucial months ahead.

---

<sup>1</sup> <http://www.chmuraecon.com/interactive/covid-19-economic-vulnerability-index/>

# YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM

## FRAMEWORK & RECOMMENDATIONS

### Guiding Principles and Framework

1. Target resources to small business and non-profit sectors that have experienced the most significant overall impacts and those that have not received adequate support through the federal relief programs – i.e., hospitality, food service, tourism, entertainment venues (public, non-profit, and for-profit), small retail stores, main street businesses, healthcare and “non-essential businesses.”
2. Deliver these resources in a timely way utilizing existing local structures (EDO's, urban renewal organizations, CRDCs, CDFIs) – consistent with the recommendations of the Montana Economic Developers Association.
3. Respond to changing workforce needs for both the employer and employee, including resources committed to our Native American workforce.
4. Support infrastructure strategies that engage our construction, engineering, and architecture industries to help move us toward economic recovery.

### Recommendations

1. Safe and Effective Restart of our Businesses
  - a. Offer restart grants for local businesses (up to \$10,000) to cover the costs associated with restarting their business under new public health guidelines (PPE, cleaning, marketing, etc.). This support will be critical for our workforce engaged in childcare/daycare and other essential activities.
  - b. Technical assistance grants for businesses needing to modify their business model for future sustainability—up to \$10,000 per company to acquire the professional support needed.
  - c. Provide grants to local EDOs to facilitate business/public health partnerships' support of education efforts targeted at businesses to encourage safe practices and “Open and Safe” marketing efforts to help consumers re-engage.
2. Business Stabilization
  - a. Business Stabilization Loans—Designate a Business Stabilization Loan Fund and allocate by region of the state to local EDOs, CRDCs, and CDFIs to loan up to \$100,000 per business to address business operating costs during the transition period (next 6 to 12 months). Principal payments stay with the local lending organization (EDOs) for future re-lending (similar to the SSBCI program from 2011).
  - b. Business Stabilization Grants – Nimble grants for up to \$25,000 per business that can help cover expenses that will lead to business survival/recovery.
  - c. Workforce Retraining Grants – \$2,500 per employee to address employee retraining needs for companies in transition.
  - d. Provide employers grants to access Employee Assistance Programs for workers to utilize mental health/counseling resources.
  - e. Yellowstone County's healthcare delivery system has been substantially impacted. We strongly encourage that those impacts be mitigated with future resources to sustain our responsibility as the regional healthcare provider.

# YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM

## FRAMEWORK & RECOMMENDATIONS

3. Strengthen Community and Economic Development Fundamentals Essential for Recovery
  - a. Provide resources (matching funds) to secure anticipated new federal infrastructure investment. Ensure that the CRF are considered non-federal for this purpose.
  - b. Incentivize continued and new capital investment in shovel-ready projects, with a focus on critical infrastructure that supports emerging community and business needs – e.g., broadband infrastructure to support education and business needs.
  - c. Entrepreneurship Support Systems—provide matching grants for programs that are entrepreneurship-focused, helping to enhance programs and technology that deliver mentorship, training, counseling, and connections to peers and capital investment.
  - d. Workforce Retraining Scholarships for displaced workers who want to “up-skill” and transition to another field or their next job opportunity.

# YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM

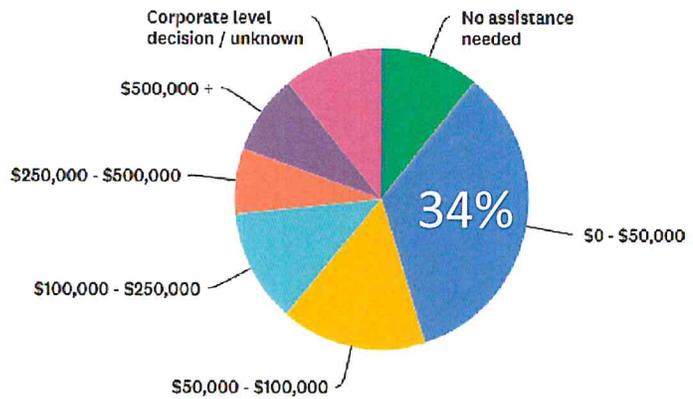
## BUSINESS IMPACT SURVEY RESULTS

Between April 20<sup>st</sup> – April 21<sup>st</sup>, the Yellowstone County Economic Response & Recovery Team deployed a survey to Yellowstone County businesses to assess the impact of the COVID-19 disruption on their operations, how they are adapting, and what aid or resources would be needed to ensure Yellowstone County's economic recovery.<sup>2</sup>

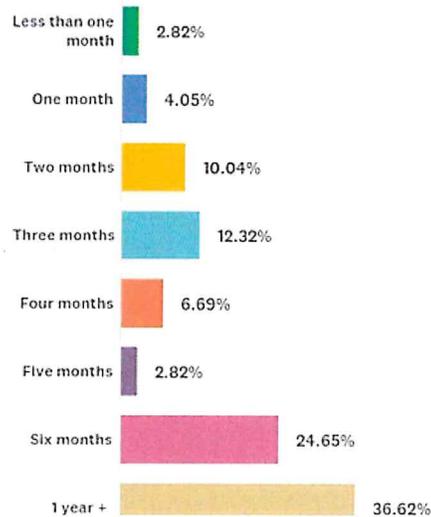
### Key Findings

- 60% of companies have experienced an "extremely negative" impact and 33% have experienced a "somewhat negative" impact
- A number of disruptions are at play for businesses, but 60% identify a "drop in demand for our goods or services" and 37% chose "challenge to delivering product / service to customer (respondents could choose more than one disruption)
- 70% report a loss in revenue that will reach or exceed 25%; in fact, 36% have realized and / or **expect a loss of 75% of their revenue** or greater
- 61% believe that impact will last 6 months or longer with 37% believing the impact will be one year or more
- 71% of respondents have applied for funding of which only 59% have received funds

AMOUNT OF FINANCIAL ASSISTANCE NEEDED



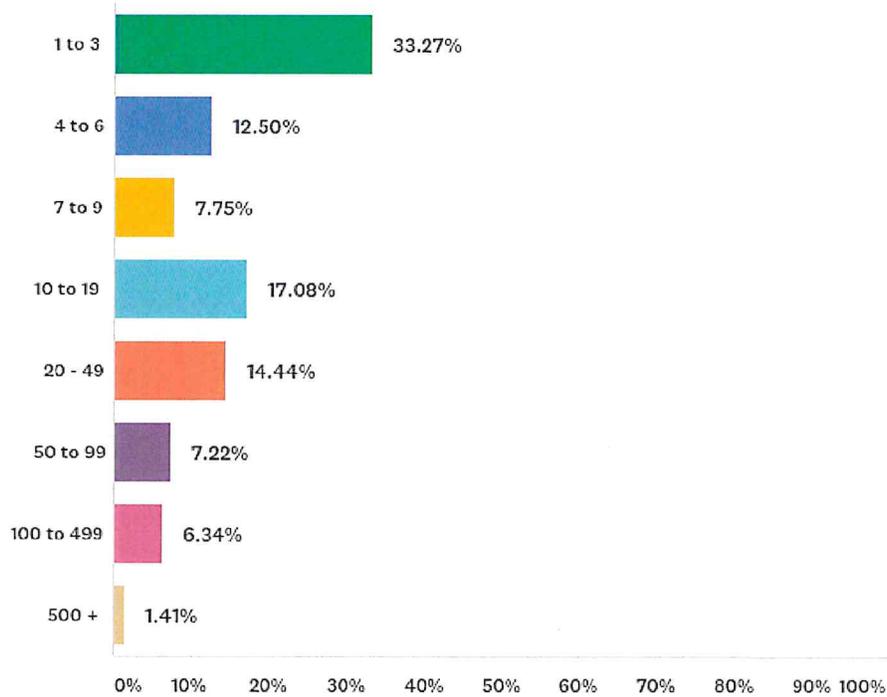
EXPECTED DURATION OF IMPACT



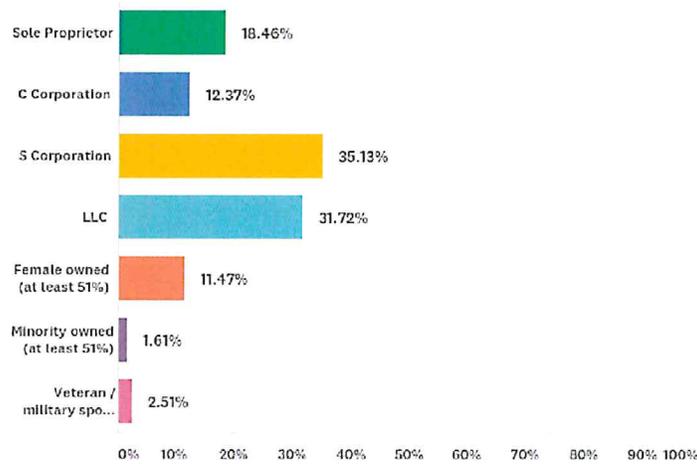
<sup>2</sup> Large portions of this survey and analysis approach were modeled after the Economic Development Corporation of Utah, <https://edcutah.org/>, COVID-19 Business Impact Report

YELLOWSTONE COUNTY ECONOMIC RESPONSE & RECOVERY TEAM  
 BUSINESS IMPACT SURVEY RESPONDENT DEMOGRAPHICS

NUMBER OF EMPLOYEES BEFORE COVID-19



ORGANIZATION OWNERSHIP



April 22, 2020

The Honorable Steve Bullock, Governor of Montana  
Montana Office of the Governor

Mr. Larry Simpkins, Task Force Chairman  
COVID-19 Relief Fund Task Force

Dear Governor Bullock and Mr. Simpkins:

On behalf of the Montana performance art community, Montana venues and Montana entertainment promoters, I am writing to thank you for your strong leadership in addressing the detrimental impact of the COVID-19 pandemic on the State of Montana. I share your concerns about this serious health crisis, and I am honored to be a part of your efforts to protect the lives of Montana while stabilizing our economy.

Each year, venues and promoters across the state of Montana host hundreds of events, staffed by thousands of employees, attended by hundreds of thousands of concertgoers. Venues across Montana serve as important cultural hubs that give our communities unique character. Equally important, our venues act as important economic multipliers for our local economies. The entertainment industry estimates that **for every \$1 spent on a ticket, a total of \$10 - \$12 in direct and indirect economic activity is generated.** (*Source –The Chicago Loop Alliance*). The estimated annual economic impact we bring to our local communities is hundreds of millions of dollars each year. For example, my company, Logjam Presents sold over 200,000 tickets in the Missoula market in 2019, with estimated ticket sales of approximately \$8,000,000. Applying the multiplier estimate above, events hosted by Logjam generated between \$80 and \$96 million in direct and indirect economic activity for the Missoula community. It is also worth noting, approximately 35 percent, or 75,000 attendees were ticket buyers from more than 150 miles away from Missoula, further demonstrating the impact on hotels, restaurants and bars in our communities.

In addition to the economic impact, the cultural impact of our venues on our local communities is priceless. Venue operators and promoters are steadfast incubators for local Montana artists, we host hundreds of not-for-profit events, we partner with our public schools on educational events and functions, we serve as community centers where leaders can engage in community dialog, and we host of some of our nation's most notable entertainers. Montana venues and promoters are the center of the arts and culture ecosystem, and in many ways define who we are as communities. In many cases, our venues have given life and vibrancy to our downtown communities. Not only do these venues serve as cultural hubs, but in many cases represent historic buildings that are architectural jewels within our community.

Venues and promoters were **the first to close** as COVID-19 spread across our state and the country as a whole. Unfortunately, venues are also likely to be among **the last to reopen**. In recent days, leaders in both California and New York expressed skepticism about the return of concerts and live events until at least 2021, which means that in order to protect lives, our employees and artists may remain without jobs and we may be without revenue for an entire year or more. Even once venues are permitted by the government to reopen, our industry will require approximately three months to return to usual schedules, due to the intricate and complicated process of artists' planning, scheduling and tour routing. Further, capacity limitations and other restrictions will likely inhibit our ability to fully recover for years.

Many believe this will not happen until a vaccine is readily available to the public. Others worry that even if they can hold on through the shutdowns, they will not be economically viable if they have to operate at 25 or 50 percent occupancy.

We truly appreciate the tremendous response and swift action taken by US Congress and the State of Montana to support many industries across our State. Unfortunately, the programs that were enacted provide little relief to venues and promoters. **In our present situation, in order to ensure public health, we have no opportunity to generate revenue and we have no work to offer to our employees.** The current programs, such as the Payroll Protection Program (PPP) are designed for businesses that will potentially be able to return to normal business operations in the coming weeks and months. These programs fail to sustain an industry like ours. Without long-term financial assistance, dozens of venues and promoters across Montana will not survive. While we have no income, we do have debts with personal guarantees, rents or mortgages, utilities, insurance, local, state and federal taxes, and the massive burden of ticket refunds for more than 500 canceled shows due to COVID-19.

Overall, venues, promoters, employees and artists are facing an existential crisis as a result of the COVID-19 pandemic and are in urgent need of long-term financial assistance. As you continue to work to address the COVID-19 crisis, we respectfully request that you consider the solutions outlined below to address the unique situation facing venues and promoters across Montana.

#### **Supplement the PPP Loan Program**

Supplement the existing PPP program, including a separate allotment of funds for businesses that are completely closed in accordance with government-mandated social distancing guidelines and are severely distressed. Important features needed specifically for shuttered businesses like ours include:

- Extend the initial PPP amount from 2.5 times, to at least eight times the average monthly payroll for venue operators and promoters.
- Build-in flexible loan forgiveness by (1) allowing the use of loan proceeds on payroll, rent, utilities, ticket refunds, working capital, insurance and debt obligations with no minimums on the percentage dedicated to any one expense; and (2) waiving the requirement for loan forgiveness to be contingent on employee retention if companies have no work to offer employees.
- To the extent loan pay-back is required for any portion, ensure that payments are not required and interest does not accrue until one year after the industry is able to resume normal operations at full legal capacity.
- Extend the program until shuttered businesses are able to resume normal operations at full legal capacity.
- Ensure quick processing.

### **Tax Relief**

- Consider tickets sold for canceled and postponed events to be considered “distressed inventory” for tax purposes and provide a tax credit for refunded ticket prices where a patron has opted for a refund rather than a voucher for a future event.
- Consider state property and income taxes for shuttered businesses be deferred until at least six months after the industry is able to resume normal operations at full legal capacity.

### **Reopening**

- Dedicate state resources toward increasing testing.
- Establish state guidelines for resuming and continuing large gatherings in a safe manner to ensure uniformity throughout the industry. This is particularly important to facilitate a tour for artists and entertainers that rely on the availability of venues across the country in which to perform.
- Provide assistance to businesses through grant funding or tax credits to comply with any new health guidelines required for venues like ours to return to normal operations.

Taken together, these proposals will serve as a vital lifeline for our community of employees and artists and for the iconic venues that mean so much to our local communities. At the same time, we will do our part and working collectively to formulate and implement policies that will allow us to operate in a safe manner when we are able to once again reopen our doors.

Thank you for your consideration of our needs. We look forward to partnering with you throughout the economic recovery process.

Sincerely, on behalf of the dozens of Montana-based venues and promoters,

Nick Checota

Owner of Logjam Presents, Wilma, KettleHouse Amphitheater, Top Hat, and the ELM

# WARRIORS & QUIET WATERS FOUNDATION

**Date:** April 22, 2020

**Subject:** Coronavirus Relief Fund distribution recommendations.

**Attn:** Governor Bullock and Coronavirus Relief Fund Task Force (CRFTF) Members

Dear Governor Bullock,

We appreciate your leadership in these trying times. If you are not familiar with our Bozeman-based 501(C)(3), we bring our nation's post-9/11 combat veterans and their loved ones to Montana, introducing them to the therapeutic effects of fly fishing amid the backdrop of our great state. We have provided nearly 1,000 experiences to date. We can't fulfill our mission alone. In addition to hundreds of volunteers, **we rely on a cadre of over 20 professional fly fishing guides to execute programs.**

In response to COVID, we cancelled programs well into June. While we will resume Fishing Experiences when deemed safe, we are very concerned about the well-being of the local guides who are a vital part of the success of our mission. A majority of these guides are independent contractors and therefore aren't protected financially like most small businesses, even our own nonprofit. **The negative effects of the shutdown and social distancing will have severe and lasting consequences on these professionals. This will affect Warriors and Quiet Waters once these restrictions are lifted. When we resume operations, the guides that work for us, albeit at a reduced rate (and no tips), will have to make a choice. Do they guide for out-of-state clients, making an increased rate (and tips) to negate months of no work, or do they work for us? While a majority, if not all of these guides would want to work for us, the reality is they need to take care of their families and unpaid bills first. These issues can be alleviated through the proper considerations given to these professionals by the CRFTF.**

**We are concerned by the lack of Outfitter representation on the Coronavirus Relief Fund Task Force.** This sector is at the forefront of bringing tourism dollars to Montana in the form of purchases at airlines, hotels, VRBOs, restaurants, grocery and retail stores, gas stations and many other establishments. Yet they have no seat at your table. This needs to change immediately.

**We propose the CRFTF consider earmarking a portion of Montana's CARES funding directly toward those businesses involved in the outdoor industry and outfitting/guide services in particular. This aid could come from any variety of forms: grants, forgivable loans or even low interest loans with long range due dates. Additionally, if there is room for one more individual on the task force please consider an industry leader in the outfitting sector.**

Thank you for your consideration,



Mike Powell



FOR YOUTH DEVELOPMENT®  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

April 22, 2020

Dear Governor Bullock and the Coronavirus Task Force -

The Montana YMCA State Alliance is comprised of six community-based, board-led nonprofit charities dedicated to the health and well-being of their communities. As our state continues to navigate COVID-19, we encourage our representatives to keep YMCAs in mind, especially as decisions are made around health guidelines, our state's reopening phases, and CARES Act and Child Care & Development Block Grant (CCDBG) funding.

Like many Montana organizations, we are preparing our staff and programs for when the state reopens. In order for us to serve everyone safely and effectively, we need the following:

#### **Science-based Guidelines for Youth Programs and Childcare Providers**

Montana YMCAs are serving on the front lines of this global pandemic by offering emergency childcare options for families of essential service workers. We have reduced group sizes and increased safety protocols. We ask that public health professionals continue to provide guidelines for youth programs and childcare providers during each phase of state's reopening process. This includes guidance around group size, welcoming families back, and working with families and/or staff who are or have been sick.

Clear guidelines are needed to ensure we can safely offer in-person youth programs including summer day camps (4,600 youth ages 3-12 served annually), early education centers (1,050 children ages 0-5 served annually), after school (1,342 youth in grades K-5 served annually), and youth sports (15,400 youth ages 3-14 served annually). As one of Montana's largest childcare providers, our Ys also welcome the opportunity to be included in conversations around guidelines.

#### **Funding to Support Low-Income Families & Childcare**

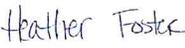
In 2019, 25% of all Montana families with children lived in poverty (ChildCare Aware of Montana). Today, that number stands to be greater due to layoffs as a result of COVID-19. Many families will continue to feel the financial impacts of COVID-19, even after they return to work. Childcare is expensive, yet essential, for many families. Ys are some of Montana's largest childcare providers, caring for more than 1,000 children ages 0-5 in 2019. We already offer financial assistance for all Y programs (nearly \$2 million in 2019), including childcare. In this unprecedented time, though, these efforts will not be enough. Support is needed to subsidize childcare programs to ensure families are able to work and recover.

#### **Funding and Training to Support Additional Safety Measures**

Our Ys have increased sanitation efforts and decreased group sizes. These measures are necessary; however, they come with significant costs. Funding is needed to ensure our Ys can afford to staff according to group size, rent additional space as needed to maintain safe group sizes, and provide staff with proper equipment and training around COVID-19 cleaning guidelines to keep facilities clean and participants safe.

On behalf of our community, thank you for your support.

Sincerely,

					
Andrea Stevenson Gallatin Valley YMCA CEO	Kim Kaiser Billings YMCA CEO	Heather Foster Missoula YMCA CEO	Phillip Borup Butte YMCA CEO	David Oclander Helena YMCA CEO	Todd Rouse Southwestern MT YMCA CEO

THE MONTANA STATE ALLIANCE OF YMCAS

# **CORONAVIRUS RELIEF FUND TASK FORCE REPORT FRAMEWORK**

**APRIL 26, 2020**

---

## **VERSION 3.0:**

**INCORPORATES SUGGESTIONS RECEIVED FROM TASK FORCE ON THE 4-20 & 4-23 CONFERENCE CALLS ON BUCKET I, II & III: PRESENTS FIRST LOOK AT DESCRIPTIONS OF BUCKETS IV AND V FOR DISCUSSION ON 4-27-20.**

## **OVERVIEW:**

- **Goal**
- **Objectives**
- **General Considerations**

## **“Bucket” Categories:**

- **I: Immediate Safety Net Bucket**
- **II: Business Stabilization Bucket**
- **III: Jump Starting Tourism/Hospitality Bucket**
- **IV: Local Governments, Tribes, and Schools Bucket (4/27)**
- **V: Montana State Government Bucket (4-27)**
- **VI: Unforeseen Impacts Bucket**

## GOAL:

**THE GOAL OF THE CORONAVIRUS RELIEF FUND (CVR) TASK FORCE IS TO PROVIDE ADVICE AND GUIDANCE AS TO HOW BEST TO DEPLOY MONTANA'S CARES ACT FUNDS TO PUT MONTANA ON A PATH TOWARD ECONOMIC RECOVERY AND TO MEET THE NEEDS OF OUR COMMUNITIES.**

## OBJECTIVES:

1. Coordinate with the “reopen phases” to ensure the needed components align and are complementary, in particular those needed to ensure the public feels “safe” to re-engage, especially when it comes to the hospitality, tourism and retail segments (“TSA effect”). This will require constant re-evaluation in the short-term to intermediate timeframes in order to make sure we understand the notion of an acceptable level of human health and business risk, while also layering-on the geographic/county variables and risk profiles. Further, it will be important to coordinate with the Governor’s Reopen Committee as to funding – who, how, and when.
2. Develop **Coronavirus stimulus “Buckets”** (e.g., Categories) and propose funding at designated levels (with flow-over to other categories for unused allocations on a proportional basis); it needs to be mindful and incorporate local control (e.g., letting each county have significant input into what Coronavirus recovery looks like “for them”); the State should not be overly prescriptive (should be postured with incentives):
  - fill-in public safety net gaps (short-term);
  - business stabilization (short-to-long term);
  - jump starting tourism, hospitality, and retail industry segments (short-to-long term);
  - initial reimbursement of counties, cities, Tribes, K-12, Higher Education, for actual Coronavirus-related costs/expenses (short-to-intermediate);
  - direct impacts to state government (short-to-long term); and
  - unforeseen impacts (long-term).

## GENERAL CONSIDERATIONS:

1. It will be important to make sure to set-up some type of control structure to guide implementation and execution – without the “how” then all State is left with is a nice plan.
2. Define what is considered short-term, intermediate, and long-term.
3. **Focus on those who have been impacted the most.**
4. Constant re-evaluation loops to:
  - o understand changing/evolving dynamics at the federal level with implementation of Phases 1-3 of the stimulus package, while they are also considering additional stimulus packages;
  - o introduce accountability to ensure the money actually gets to where it was designated and is properly used; and
  - o identify emerging technologies and possible utilization.
5. Introduce measures to ensure state stimulus recipients are not double dipping at the state or federal levels; can't pay for the “same Coronavirus expense” twice.
6. Public-Private Partnerships: embrace/leverage partnerships analogous to federal government where possible to make these stimulus monies go as far as possible to support economic impacts and uncertainty created by Coronavirus.
7. **Channel delivery: do not re-create the wheel;** use existing formulas and mechanisms to distribute funds where and when possible; creating new formulas that are considered reliable is time consuming and controversial; vertical and horizontal equity is key.
8. Legal implications: (a) immunity against “unsafe workplace” claims for employers who are trying to reopen; associated therewith is access to testing by employers for employees; (b) need to research applicability of work comp claims; and (c) how to navigate HIPAA-related issues in a post Coronavirus world.
9. One time only allocations: where possible, these Coronavirus distributions should be deemed as OTO and not built into any future base allocation for state budgeting purposes.
10. Limitations: Excessive need for masks and other person protective equipment (PPE); sufficient rapid test kit availability.

## **I: IMMEDIATE SAFETY NET BUCKET – [insert amount]**

### **1. Montana Business Safety Net Program: Economic Assistance and Renewal Now (EARN):**

Designed and targeted for those businesses and sectors most impacted and/or unable to obtain assistance through federal stimulus programs (to date); includes sole proprietorships, LLPs, LLCs, and nonprofits;

Establish an identification process and guidance to target assistance:

- to businesses trapped on the “8-week cliff” of the federal PPP; how state aid can mitigate the cliff; or how the federal tax credits for businesses to retain workers could align with a similar state tax credit;
- to businesses who have had most, if not all of their income destroyed;
- to prevent double dipping between state aid and federal aid or other emergency public assistance (can’t cover same expenditure twice); and
- to maximize allocations of funds, e.g., in light of the new SBA guidance issued 4/14/20 and the recent additional funding for PPP, each licensing board within the Department of Labor and Industry should facilitate assisting licensed professionals in applying for federal PPP assistance first before seeking eligibility under the State’s program.

Important success criteria:

- needs to contain clear, concise language on application process, eligibility, business plan requirement, crossover with federal aid, when/how loan becomes grant, etc.; process cannot impede delivery; and
- have adequate state staff assigned to expedite program delivery.

### **2. Direct Care Worker Incentives:**

For direct care workers at hospitals, nursing homes, community health centers, and other health care facilities; for prison/jail guards and community corrections workers who oversee prison, jail and community correction populations. These are the people who put themselves (and subsequently their families) at risk by virtue of them doing their jobs. This would be a one time only allocation and clearly designated for a specific time frame. Structure: (1) if include non-public employees, money needs to flow through employers; and (2) has to include a hard end date. Challenges: (1) identifying/limiting the designated “class” of eligible employees (e.g., what about grocery store and other retail workers who were “doing their jobs”; or employees that wanted to “do their jobs” but were prevented; does it only apply to public employees?); and (2) like other items for consideration on this list, how does this topic prioritize.

### 3. **Montana Healthcare Providers:**

Research and identify what immediate gaps are left within the healthcare provider sector (after federal allocations) to identify what Coronavirus-related expenses are left unmet. Items to be addressed include:

- Several Critical Access Hospitals operating on little or no reserves;
- Mental health services, including suicide prevention;
- High cost Coronavirus medical cases; explore applicability of the recently instituted “reinsurance pool”; and
- Offsite hold proposal for Coronavirus (e.g., Billings note at end of document).

### 4. **PPE and Test Kit Program:**

For Montanans (and visitors) to begin to feel “safe” to move about, certain businesses and sectors will need access to PPE and test kits. A priority program would be for the State to provide the equipment or set up a rapid reimbursement for costs incurred by businesses, with an emphasis on efforts to guard against efforts to hoard or profiteering activities. Open source technology at the State level for solutions to assist employers with tracking/monitoring testing activities of employees (at the election of the employer).

In addition, the State should evaluate: (1) ongoing testing methodologies based upon technology advances, FDA approvals, availability and costs; and (2) use of “trace” technology that is being used to combat Coronavirus after Montana reopens.

- Starts with our health care providers – hospitals, nursing homes, assisted living, community health centers, etc.
- Public employees interfacing with certain population segments – law enforcement, first responders, prison, jail and community corrections.
- Hospitality, tourism and retail employers.
- Offered to all other employers where employee social distancing activities create ongoing challenges.
- Child care and out-of-school care providers.
- Status of how PPE/Test Kits are organized – regionally to facilitate quick response; how deal with lightning strikes or flareups?
- Consider possibly funding geographic and/or sector driven pilot projects.

## 5. **Non-Profit Sector Safety Net Program:**

Need to identify and fill gaps not met under federal aid. Recognize that nonprofits provide “safety net services” to Montanans - address needs for food, shelter, safety, childcare and youth services, healthcare, shelter and housing, mental health, disabilities, senior services, etc.

Non-profit service disruptions due to Coronavirus also include: Food, Housing/Rent and Mortgage Assistance/Emergency Shelter, Child Care & Youth Services, Domestic Violence, Child Protection, Law Enforcement/DOJ/First, Responders, Disability Services, Senior Services, and TANF Workforce Development.

## **II: BUSINESS STABILIZATION BUCKET**

[insert amount (should be roughly 50% of total amount)]

The following recommendations are based upon Federal Guidance dated April 22, 2020, which allows for “expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.”

Source: [insert link]

### **1. Crisis Grants/Loans (short-intermediate term)**

Priority given to businesses (e.g., bars, taverns, hotels, outdoor recreation, certain retail, etc.) who were deemed “non-essential” or suffered catastrophic revenue reductions. Define and deliver a combination grant/loan program for any business that can document revenues were significantly reduced (e.g., more than XX%); consider contingency for grant/loan on being/getting current on property taxes or rent/lease payments. Options include:

- Variable grant vs. loan amount to individual business based on revenues lost; e.g., higher revenue lost = higher grant amount;
- Variable loan rates, or deferred loan rates;
- Some version of Toole County Forward (see attached) – the idea is to use Public-Private Partnerships to grant immediate, short-term relief for main street businesses; and
- Use delivery channels that have been effective in the past (e.g., SSBCI program from 2008-2009); rely on local Economic Development entities, although not exclusively – allow direct grants/loans to individual businesses with experience and capability to meet requirements.

I

### **2. Short Term Line of Credit Guaranty Program (short-term):**

Create a 3-year line of credit guaranty program through the Board of Investments in partnership with local banks (either set terms or create “bookends” to allow for negotiation); include provisions to document/demonstrate clear financial harm from Coronavirus impacts.

Program considerations include (but not limited to):

- Whether State picks up tab for interest of “devastated” businesses for the first year;
- Extend reach of Program as far as possible by rate of guaranty percentage;
- Help with debt to equity ratios;

- How to deal with rental property owners that are not receiving lease payments;
- Be mindful that terms are critical to struggling industry;
- Multiple source-EDA, BOI?
- Repayment default?
- “Default” insurance pool?

### 3. **Loan Stabilization Program** (long-term):

There is significant uncertainty in the commercial development, industrial, agriculture and other sectors in Montana. Businesses are reporting a number of multi-million dollar “shovel ready” capital projects have been or will be mothballed or stopped, and in some instances bank commitments have been withdrawn due to economic uncertainty. To address this set of economic disruption, recommend a low-interest loan guaranty program (either set terms or create “bookends” depending on rate and loan term) through the Board of Investment to encourage capital projects impacted by the onset of Coronavirus to move forward.

Program considerations include (but not limited to):

- Available to shovel-ready projects that physically undertake activities in the next 180-360 days;
- Credit worthiness; loans could be issued by Montana banks who already know the credit worthiness of their customers; borrower would still have to have equity (e.g., 10-15%);
- BOI could guaranty XX% (e.g. 25-30%) to help limit exposure of lending bank; the banks would have to have relief from lending restrictions or guidelines as applied to these specific loans;
- Limitations:
  - existing borrowers would be prevented from refinancing an existing loan unless the parties clearly document the borrower is likely to default on the existing loan; and
  - depending on ultimate federal guidance, may have to help existing businesses with loans that now do not cash flow, define a program to work with banks to buy down basis points or to help extend amortization.
- Help with debt to equity ratios;
- Multiple source-EDA, BOI?
- Repayment default?

#### 4. **Coronavirus Community Impact Grant Program** (long-term):

Using money available through stimulus package to create a unique program to address the Civic Infrastructure needs of communities through a state-local government-private sector partnerships; it can make these monies go a long way if communities take advantage of it; need to create triggers such that almost every community/county can participate in if they want to make those investments; framework set forth at a high level in the attached document.

- Delivering Community Assistance example program
- Urban Renewal Districts (flex boundary)

Also review below discussion regarding local government for additional detail on how this Program could be implemented as applied to property tax payment assistance and eligible Civic Infrastructure projects.

### **III: TOURISM/HOSPITALITY BUCKET: HARD IMPACTED SECTOR** – [insert amount]

*Situation:* Montana's tourism/hospitality (including outdoor recreation) sector is large and has been severely harmed, with recovery times that could last well beyond other business sectors. Restaurants, taverns, bars, hotels and other significant hospitality businesses help shape our communities and bring our people together. Unfortunately, they have had to resort to lay-offs and in many cases shutdown completely, with some having little or no hope of reopening when this ban has been lifted.

Likewise, the non-profits that help create the Montana way of life such as the arts and cultural organizations, major festivals and events (Montana Folk Festival, Festival of Nations, Bucking Horse Sale, Symphony Under the Stars, Red Ants Pants Festival, Sweet Pea, among many more) have been hard hit by the Coronavirus crisis.

Moreover, federal stimulus package assistance hasn't been available to some, partially available to others, and confusing in some instances (e.g., EIDL applications – little or no responses to date and applicants questioning if/how qualify). Other tourism/hospitality segments have been equally devastated - airports, rental cars, and related retail businesses. In order for these industry participants to hit the ground running at the point when it is safe to reopen to consumers and the emergency is officially lifted, it is critical that the State and municipalities have one or more vehicles available to them.

#### *Short-Term Solutions:*

- Provide equipment for hospitality businesses, in particular, bars, restaurants, casinos, and hotels, retail, etc. to comply with parameters of the Re-open Montana guidelines and social distancing requirements; everything from Plexiglas shields to thermometers and test kits and other PPE equipment for employees. The industry needs to come forward with a list of needs that will re-instill consumer confidence and then be given the equipment or provided mechanism(s) to be reimbursed for costs incurred to fulfill the needs;
- Note: Destination experiences (e.g., dude ranches) have different issues than traditional hotels and restaurants. They live on advanced deposits from previous year and cancellations are eating into these deposits. Some ranches have pushed back opening, so PPP is helpful.
- Montana Safety Net Program (discussed above)
- Emergency grants and access to capital (discussed above)
- Short-term LOC (discussed above)

- Review industry specific recommendations (e.g., attached submission from the Montana Outfitter & Guides Association)
- Ensure this has significant priority (bigger grant-basis break)
- Coronavirus shifted hospitality to higher risk model

*Long-Term Solutions:*

We need to start thinking about what hospitality/tourism looks like 3-6-12 months from now and what opportunities are potentially available to help the Montana hospitality/tourism industry segment get back on its feet in the long-term:

- Depending on what occurs at the federal level and flow through of federal dollars, could designate a specific amount of loans through state and or municipal agencies to provide support and benefits for rebuilding and continuing operations of the hospitality industry.
- Marketing campaign to promote Montana tourism, National Park System, etc.
- See recommendations from the Montana Lodging & Hospitality Association letter dated April 20, 2020.

**Note to Task Force:**

**It was suggested that we leave the TSA Effect discussion to the Re-opening Montana Task Force. So we've removed this explanation from the Bucket explanation:**

**"TSA Effect" - For economies to truly prosper, the public must feel safe. After 9-1-1, the public would not fly until TSA made passengers "feel" that flying was safe again.**

#### **IV: LOCAL GOVERNMENTS, TRIBES & SCHOOLS BUCKET** – [insert amount]

1. **Emergency Local Government Allocation:** Issue an immediate allocation of [\$XXM] to cities, towns and counties to cover actual Coronavirus expenses; explore using gas tax distribution formula as a potential mechanism to quickly allocate and get the money issued to local governments. Challenge local government to define what Coronavirus recovery looks like at a local level.

**Montana Indian Tribes:** Tribes across the nation received an \$8B direct allocation. Research and identify what gaps are left within the tribal nations after federal allocations to see what additional Coronavirus-related expenses are left unmet. Confirm urban Indian Health is covered by Medicaid Expansion.

2. **Montana K-12:** K-12 received direct allocation of up to \$43.1M via the Title 1 distribution formula; qualifies for inclusion for access to \$8.8M in direct emergency access as deemed necessary by the Bullock Administration, and has flexibility in utilizing transportation funds to provide distance learning; and the Bullock Administration defined some potential for supplemental appropriations, if needed. At this juncture there does not appear to be significant shortfalls that cannot be addressed within existing funding. Upon reopening, there could be a need for an investment in “TSA” equipment to allow parents, students, teachers, and support staff to effectively return to school.
3. **Montana Higher Education:** Higher education received direct allocation (MUS \$26.3M, Community Colleges \$1.4M, and Tribal Colleges \$1.6M) and qualify for inclusion for access to \$8.8M in direct emergency access as deemed necessary by the Bullock Administration. Higher education has challenges in that revenue bonds are issued to pay for cafeterias and dorms. Student usage is key to repayment ability. Research will be needed to determine if there are gaps. Upon reopening, there could be a need for an investment in “TSA” equipment to allow parents, students, teachers, and support staff to effectively return to school.
  - See attached recommendations from the Montana University System. They are necessary, but do they prioritize over other areas that received little or no assistance yet?
  - Private colleges?
4. **Transparent/Accurate Accounting:** Because the State is on the hook for repayment, clear reporting requirements and guidance must accompany monies distributed to local government. Local government software such as Black Mountain can easily be coded to identify fund usage and configured to upload and integrate this usage into the State system. Transparency is key, so clear reporting and usage guidelines are a prerequisite to any distribution.

5. **Coronavirus Community Impact Grant Program** (see above): Local governments could potentially seek allocations as a part of their match. Need to enable multiple delivery channels, with a focus on local delivery (local economic development groups could be a distribution tool). Explore bank partnerships as well. Goal is to return county and state income streams to pre-Coronavirus levels.

- Impacted linked as decreased by more than XX% in a specified time frame); Most money needs to go to the county/city to be distributed to impacted businesses such that the county/city can help “stimulate” the local economy to pre-Coronavirus levels.
- As applied to property taxes:
  - If a business qualifies for the impact grant (can cover property taxes plus other allowable expenses), and if it does not arrive by May tax time, it will either cover the fees/penalties (or they will be paid by the grant tax). Consider using a “line of credit” process that applicant can only access if property taxes paid.
  - If an individual/residential taxpayer can document reduced income associated with Coronavirus, they can possibly qualify for a relief grant – may need to hold until after Tax Day; cannot create a motivation to not pay taxes.
  - Need to confirm that county/city can get loans to cover delayed property taxes (BOI).
  - Passive rental businesses were precluded from any assistance under the CARES Act; need a plan to help these businesses pay property taxes to the extent they are affiliated with tenants who were deemed non-essential or involved in hospitality/tourism.
  - a. Cannot revenue replace, so need to “grant taxes” to impacted businesses with a pay requirement to get the “grant to them”.
- As applied to Civic Infrastructure, look for partnerships to:
  - Build-out additional broadband/data to support businesses and students (at all levels).
  - Promote public health, welfare and safety (e.g., community water & sewer projects) where source of payment is directly connected to hospitality/tourism or was coming from a business that significantly harmed by Coronavirus).
  - Support getting Montana’s workforce back on its feet (e.g., workforce housing initiatives); the idea is not to pay for the actual projects, but just the Civic Infrastructure associated with the project.

**V: MONTANA STATE GOVERNMENT BUCKET** – [\$300M insert amount]

[NOTE: Use Coronavirus stimulus dollars to effectively address General Fund spending once there is clear federal guidance.]

Patrick Barkey (UM economist) is forecasting a reduction of **\$2B** in the Montana economy. State reserves will most likely be sufficient to cover 2020 income loss, but education, healthcare, and public safety services could face serious funding shortfalls in 2021 if shortfalls are not effectively mitigated.

1. Investments that can be made to effectively upfront some operational costs to hospitality/tourism sectors?
2. Montana Medicaid enrollment growth (and tail payment of claims)
3. Loss of lodging tax receipts (see letter from Montana Lodging & Hospitality Association)
4. Loss of gaming tax receipts
5. Loss of rental car tax receipts
6. Unemployed don't pay income taxes...
7. Cover eligible Coronavirus expenses in all three branches of Government
8. Shortages in unemployment insurance fund could be refilled and technology needed to track or deal with the Coronavirus crisis covered at Department of Labor & Industry.
9. Montana State health care facilities (State Hospital, Nursing Home in Lewistown, Veteran's Homes) are limited in their medical record capabilities, including ability to participate in tracking telemedicine interactions - any possibility of using hospital money for this? The same applies for Department of Corrections.
10. Make investments in outdoor recreation infrastructure to spur hospitality/tourism activity (e.g., attached recommendations submitted by [insert; MOGA]); look for partnerships where possible (e.g., local businesses and land trusts).
11. Additional Coronavirus-related technology considerations:
  - As a general matter, to the extent existing technology providers are under contract and possess Coronavirus-related solutions that meet the State's needs, utilize these contract vehicles versus delays associated with prolonged procurement processes; quick deployment is critical.

- Invest in solutions designed to reduce personal interactions and promote social distancing (e.g., DMV).
- Invest in solutions that can help the hospitality and tourism segments get customers/consumers re-engaged. For example, the Lottery was a matter of days from rolling out the State's new sports betting solution. The Bullock Administration could consider a number of initiatives per the attached recommendations.
- Public safety communications system upgrades/enhancements (to the extent not covered by some other federal stimulus source).

**VI: UNFORESEEN IMPACTS BUCKET** – [insert amount]

Consideration should be given to setting some money aside to deal with future, yet unknown and undefined impacts associated with Coronavirus.

\*Montana print media/advertising, which is critical to small town newspapers, are terribly impacted (stores quit advertising, events shut down, etc.). Need to use stimulus money to advertise/communicate with public about the impacts of Coronavirus and assistance that is available at a local level - so that the 85 small newspapers in Montana keep viable.

Background info:

## Montana Rankings on Economic Exposure to Coronavirus

(Wallethub.com) – 50 States (+) District of Columbia

Economies	High Impact Industries & Workforce Rank	Resources for Businesses to Cope
Montana	<b>6</b>	<b>36</b>
North Dakota	13	46
South Dakota	40	40
Wyoming	28	50
Idaho	35	43

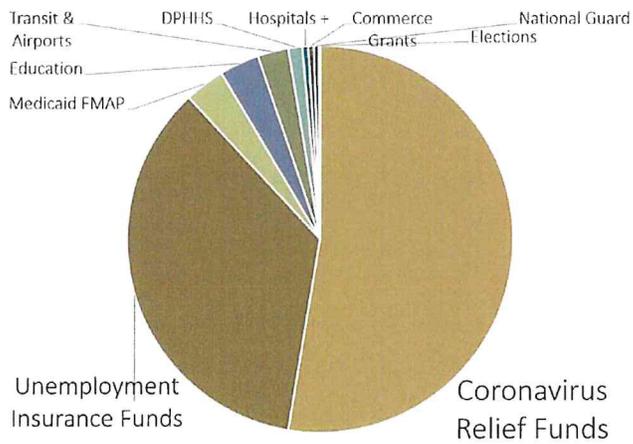
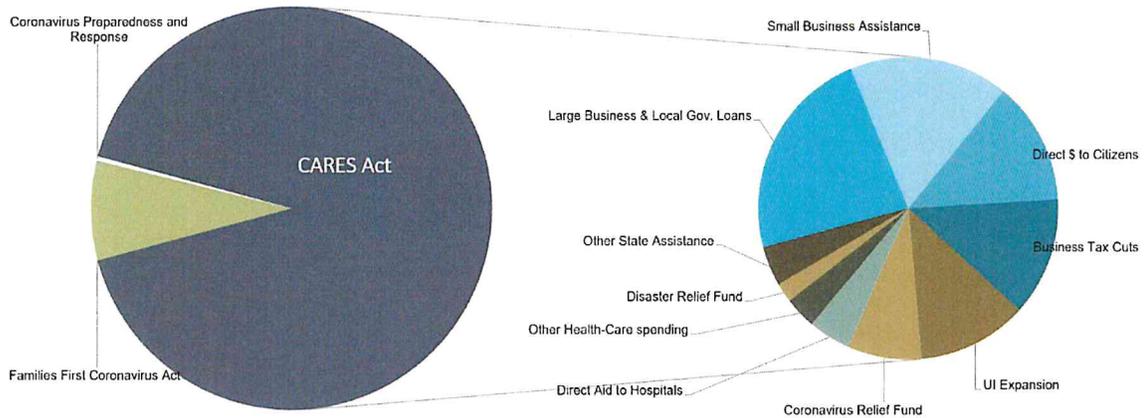
GDP(% total) Generated by High Risk Industries	Hotel/ Food Service	Arts, Entertainment & Recreation	Retail	Mining, Oil & Gas	Educational Services	Real Estate, Rental, Leasing	Other (non-Govt)
Montana	<b>8</b>	<b>8</b>	18	10	47	17	17
North Dakota	51	51	36	1	50	31	48
South Dakota	21	41	12	30	40	50	29
Wyoming	10	32	31	1	51	36	50
Idaho	19	29	4	25	34	20	38

## Montana Rankings on Economic Exposure to Coronavirus

(Wallethub.com) – 50 States (+) District of Columbia

Share of Employment from Highly Impacted Industries	Hotel/ Food	Arts, Entertainment & Recreation	Advertising, Public Rel.	Retail	Transportation	Oil & Gas Extraction	Educational Services	Health Care	Real Estate	Other
Montana	<b>3</b>	<b>21</b>	<b>48</b>	32	<b>22</b>	<b>1</b>	<b>49</b>	20	39	<b>32</b>
North Dakota	50	37	48	43	46	1	19	1	37	44
South Dakota	49	26	29	42	50	27	27	2	35	47
Wyoming	5	22	48	46	45	1	3	9	50	51
Idaho	36	39	21	9	39	27	44	44	28	48

# Federal Legislation = \$2.4 Trillion



**Federal Funds to the State Montana Government**

Federal Funding for Montana Approximately \$2.4 Billion

Coronavirus Relief Fund for Montana is \$1.25 Billion

Most values are approximate

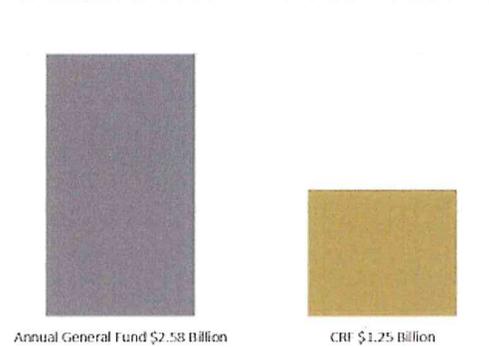
# Compare Annual General Fund to CRF

CRF is **48.4%** of FY 2020 general fund appropriations.

In other words, the amount received from the federal government, statutorily appropriated to the Governor, is nearly half the level of annual general fund appropriations.

The Governor has flexibility to spend and may also offer short-term loans to the general fund for cash flow purposes.

Comparative Size of the Coronavirus Relief Funds



Program	Recipient(s)	Funding (\$ Million)	Basis of Allocation
Governor's Emergency Education Relief Fund	K-12 & HE	\$8.8	extent of COVID-19 disruption; applications available by end of April
Elementary and Secondary School Emergency Relief Fund	K-12	\$41.3	most recent year's Title 1A grant; applications available by end of April
Higher Education Fund			
MUS	Higher Ed	\$26.3	student FTE and number of Pell Grant recipients
Community Colleges		\$1.4	
Tribal College		\$1.6	

**Senator Sesso and Rep Jones request to Director Villa about BOI potential existing distribution mechanisms that could be used or expended for distribution.**

Rep and Sen,

We do have a number of programs. Here's a brief rundown.

Over the years, the Montana Legislature has directed that the Board provide certain financial incentives, typically at below-market interest rates, to certain borrowers who meet the program requirements set in law. The In-State Loan Program, created in 1984 as part of the "Build Montana" program, invests Coal Severance Tax Trust (Coal Trust) funds in Montana to stimulate the state's economy. State law authorizes the Board to invest the Trust to increase employment and business opportunities, while maintaining and improving the state's physical environment. Four different loan types are available in the In-State Loan Program, some of which offer a job credit interest rate reduction equal to 0.05 percent for each qualifying job created, up to a maximum reduction of 2.5 percent.

- The Commercial Loans allow the In-State Loan Program to participate up to 80% in a loan originated by an approved lender. Unencumbered land, buildings, and equipment may be financed with the loan proceeds.
- The Local Government Infrastructure provides loans to eligible local governments for constructing or purchasing infrastructure to be used by a basic sector business. Total loans outstanding in this program are limited by law to \$80 million.
- The Intermediary Relending Program (IRP) Loans provide loans to local economic development organizations with revolving loan programs. Individual loans may not exceed \$500,000 and total IRP loans outstanding were limited by law to \$5 million. This amount increased to \$10 million effective July 1, 2019.
- The Value-Added Loan Program provides low interest loans to value-added type businesses that create or retain jobs. Total loans outstanding in this program are limited by law to \$70 million.

These programs are just examples of what we do on the lending side. We do so in partnership with qualified Montana banks. Nearly all Montana banks are qualified for our current programs. We have flexibility to work with borrowers and banks to defer payments, readjust loan terms (interest only, maturity dates, etc) which we have done in response to the COVID pandemic.

For over 30 years, the Board has provided low interest loans to Montana state agencies, universities, and local governments for various projects. Since the program's inception, the Board's INTERCAP Revolving Loan Program (INTERCAP) has loaned \$580.87 million statewide and issued \$168.0 million in bonds with \$105.1 million outstanding at June 30, 2019. Loan interest rates are reset every February. The loan rate from February 16, 2018 to February 15, 2019 was 3.15% and the loan rate for February 16, 2019 to February 15, 2020 is 3.37%. The remarketing from February, 2020 was for 2.5%, however, in response to COVID, BOI lowered this rate to 1% through August, 2020.

We work with the Montana Facility Finance Authority to guarantee loans made to eligible hospitals. Those funds are nearing \$15 million.

Finally, as the state's Treasury (not officially, but we have most of the authorities other states' treasury department has) we have immediate access to all funds of the state to management investment earnings, liquidity, etc. For instance, we received the funds from the US Treasury for the CARES Act and are managing it as an investment and to meet liquidity needs of the CARES Act programs that will be developed in your committee.

***To summarize: we have existing relationships and long-standing successful programs with local governments, tribes, K12 schools, universities, hospitals, state government, private businesses and their respective banks, the US Treasury, the state's depository and custodial banks.***

Our loan and grant usual turnaround from application to award is around 5 business days for those within staff approval ranges. (NOTE: That is for existing workloads.)

In the event we are asked to create new programs, our management team is well versed in managing state government for efficiency, including budget, HR, technology, program development and awarding of funds. To the extent possible we would leverage existing programs and applications with different dollars.

Hope this helps. Happy to answer any questions.

THX,

Dan Villa

## Covid Impacts to Montana State Parks and Outdoor Recreation

### Key Talking Points

- Outdoor Recreation & Montana Tourism are being significantly impacted by Covid
- Montana's outdoor recreation economy historically generates \$7.1 billion in consumer spending and supports 71,000 jobs
- Historic revenue sources for infrastructure investment are critically lowered at this time. Up to 60% reductions accommodation tax, fee revenue, and coal tax interest. Fuel tax projections predicting a 35% reduction.
- Planned Montana State Parks capital projects have been put on hold due to lack of revenues (Planned capital funding needed - \$ 3 million)
- Projects put on hold are critical for public health and safety in state parks and outdoor recreation sites. Planned improvements included upgrades comfort stations, replacing damaged infrastructure, etc.
- Communities across Montana rely on state parks and outdoor recreation for their economies
- Investing in infrastructure which supports this industry will result in long term returns to Montanans and state visitors
- Planned capital projects and infrastructure development would be completed by Montana businesses who need support in this critical time
- Developing for returning visitation and potential growth in tourism would be a wise investment for re-starting this critical industry in Montana
- Eastern Montana has had limited investment in outdoor recreation infrastructure beyond hunting and angling
- Funding was received last legislative session for a water supply for a potential campground and fire suppression in Makoshika State Park. Funding for the campground has not yet been put in place. (Funding needed -\$ 2 million)
- Investing in a capital project such as a Makoshika Campground would result an immediate impact by providing support to local businesses who can build the campground and also long-term impacts to the outdoor/tourism economy of Eastern Montana
- The Montana Office of Tourism & Business Development issued an Eastern Montana Tourism Stakeholder Research report in June of 2019 which noted the need to invest in outdoor recreation and tourism infrastructure

## MUS Stimulus Funding List

The Montana University System is rising to the immense challenge presented by the COVID-19 crisis. We are, however, faced with a difficult reality: protecting the health and safety of our students and employees while also providing the highest level of service to our students and the State of Montana will require a substantial increase in expenses during a time that will likely involve a substantial reduction in revenue from tuition and auxiliary services.

### COVID-19 Mitigation & Monitoring, \$20M

#### *Stabilization*

**Funding to implement COVID-19 prevention and monitoring strategies that will allow for safe and healthy campus life.** This funding request is key to attracting students to return to campuses this Fall semester.

**Key Card Access**, system-wide upgrade to security key system and electronic building access, allowing for controlled entry and monitoring of residence halls and other high access locations, integral to contact tracing

**Monitoring**, increase staffing for enhanced monitoring (e.g. temperatures, occupancy levels, social distancing), rapid in-house testing, and antibody sampling

**Mental Health**, bolster student mental health services

### Tuition Revenue Mitigation and Stabilization of Campus Operations, \$25M

#### *Stabilization*

**Now, more than ever, we need use of our full facilities, operations, and staffing in order to maintain safe and healthy campuses.** Funding to avoid layoffs of personnel created from revenue losses due to enrollment declines, particularly in the non-resident student population. Based on 10% decline in resident students and 15% decline in non-residents.

### Enhanced Quality Requirements: Remote Instruction and Information Technology (IT), \$10M

#### *Stabilization*

**We must transform our remote delivery and IT architecture in order to meet the demands of the COVID-19 era and beyond.** There are much-needed investments in new technologies (e.g. virtual and augmented reality tools, online course shells, interactive tools, smart screens, etc.) that transform our remote delivery approach from a suitable stopgap measure into a teaching and learning experience. As a matter of equity, our System also needs a technology access fund that will provide hardware (e.g. laptops and tablets) and network access (e.g. mobile hotspots, etc.) to our students who don't have reasonable access in their residence.

Single/central Application = \$500,000

Virtual Reality/AI tools = \$1,000,000

Laptop Checkouts = \$250,000 (250 x 1000 = \$250,000)

Student Services Software = \$250,000

Mobile hotspot checkouts = \$250,000

Smart screens/interactive tools = \$250,000  
College Access Portal = \$500,000  
Campus Network/Bandwidth Improvements = \$7,000,000  
Total = \$10,000,000

### **Auxiliary Enterprises, \$24M**

#### *Stabilization*

**The COVID-19 crisis will lead to substantially increased expenses and substantially decreased revenues across our auxiliary services.** Maximizing health and safety while also maintaining quality in the COVID-19 era will require the Montana University System to increase intensity of services (e.g. cleaning) and decrease occupancy rates (e.g. meet social distancing requirements) in areas like residential life, dining services, and other student service sectors. We will also need additional funds for continuity of payments due on system long term debt.

### **MREDI - MT Research & Economic Development Initiative, \$15M**

#### *Stimulus*

**Our research faculty are tackling many of Montana's biggest challenges, including the COVID-19 crisis – and we know that every dollar we invest in our research enterprise leads to more than a 5:1 return on investment, in the form of new breakthroughs, patents, jobs, and additional external funding.** State investment serves as “seed money” that leverages university-based research into strategic advancements for Montana's economy. This proposal would extend previous efforts; match the 2015 MREDI investment by the state to make a real difference in the development of essential Montana industries.

### **Workforce Development, \$10M**

#### *Stimulus*

**The Montana University System will need to serve as the springboard that relaunches Montana's economy in the wake of the COVID-19 crisis.** Our workforce development programs will work with the Department of Labor and Industry to identify high demand, high wage, high skill areas in Montana's emerging economy and add capacity and update programming in those areas as they prepare to train new high school graduates and the tens of thousands of Montanans who will look to upskill and retrain as a result of layoffs across the State.

### **Montana 10 Student Equity Support, \$3M**

#### *Stimulus*

**The COVID-19 crisis has laid bare key equity gaps among our students and their families.** If the State of Montana seeks to truly serve all its residents regardless of socio-economic status and regardless of rural or urban origins, we must invest in proven student support strategies that will help students who need it most. The Montana 10 initiative is a nationally proven blend of financial supports, academic momentum tools, and advising supports that increases retention rates, doubles on-time completion rates, and lowers student debt load for Pell eligible students affected by COVID-19. Moreover, it is proven to lower the cost of degree production for Montana's taxpayers.

### **Vaccine and Immunotherapy Institute, \$3M**

#### *Stimulus*

**The Montana University System can leverage its existing strengths to help the state tackle the COVID-19 crisis.** The University of Montana is a leader in vaccine and immunotherapy development. UM's

Center for Translational Medicine (CTM) is in the final stages of receiving a new \$35 million NIH contract for the development of an opioid vaccine and has been asked by the NIH to *play a key role in vaccine development for COVID-19*. The center currently lacks key infrastructure needed to for certain portions of its work and therefore currently has to subcontract significant work outside Montana. The Vaccine and Immunotherapy Institute will build upon current expertise within UM's Center for Translational Medicine and the new Center for Public and Community Health and will significantly expand the University of Montana's role in vaccine development, opioid research and community health. This request includes renovations to existing facilities, a BSL3 lab, and a few instruments.

#### **Physician Assistant Program Start-up Funding, \$3M**

##### *Stimulus*

**Montana's health and medicine infrastructure is at the center of our fight against the COVID-19 virus and the future pandemic threats that are likely to emerge.** The University of Montana's College of Health and two-year programs provide critical professional training for a range of healthcare needs that are and will be in growing demand in Montana. We will accelerate development of a Physician's Assistant (PA) program already underway in the College of Health. A PA is a mid-level health care practitioner who works in a position of delegated authority under the supervision of a physician. PAs perform physical examinations, diagnose and treat illnesses, order and interpret lab tests, perform procedures, assist in surgery, provide patient education and counseling and make rounds in hospitals and nursing homes. PAs play a critical role to ensure access to primary health care and PA training is at the Master's degree level.

#### **MSU Extension Services, \$1M**

##### *Stimulus*

**Our service to the State of Montana during the COVID-19 crisis and into the future is only possible if we support a robust presence and capacity in communities around the state.** Expansion of existing outreach programs to support increase demand from COVID-19, including programs in Rural Montana—Vitality and Leadership, Small Businesses, Financial Security, and Health and Wellness of all Montanans.

#### **Entrepreneurship Accelerators, \$1M**

##### *Stimulus*

**The COVID-19 crisis has demonstrated quite clearly that there is a direct return on investment from Montana's entrepreneurial efforts.** We would like to build on current success by offering four Accelerator sessions per year, per campus — cost effective way to support next round of entrepreneurs. This can be done two ways: either hire a full-time person to manage state-wide MUS accelerator programs or rely on each local campus to implement programs locally. Suggestion is to hire a full time, MUS Accelerator Director as well as provide additional campus funding.

#### **Montana's Agricultural Experiment Station (MAES), \$5.6M**

##### *Stimulus*

**The COVID-19 pandemic has highlighted the fragility of international interdependence and the need for a best-in-the-world, Montana-based Agricultural Experiment Station.** The station will be dedicated to the processing of plant breeders' seed, plant and soil material collected from the field by soil scientists, agronomists, and others integrated with the Montana Agricultural Experiment Stations.

## A Proposal for the Governor's Coronavirus Relief Fund Task Force

Center for Infectious Disease Management for Older Adults (CIDMOA) in Billings, MT.

Background: Care in senior living centers is essential to manage the health and well-being of the growing number of older people in Montana. Unfortunately, Covid-19 virus prevalence in nursing homes and assisted living communities across the country has severely affected the public image of senior care facilities. These same facilities had previously struggled with positive imaging prior to the reality of the Covid-19 virus.

Purpose: If senior care facilities are to remain a viable community resource to manage our growing older population, we must take steps to divert the care delivered for older adults who are unable to self-care at home and who have moderate to severe Covid-19 conditions. Hospitals and nursing homes could discharge to a Center for Infectious Disease Management for Older Adults. This center could also serve those with influenza who are unable to self-care at home.

What is a CIDMOA?

A CIDMOA is a public and private partnership to develop a community asset of shelter and care. This asset would utilize a small facility with capacity of twelve to sixteen beds. The asset would provide services to hospital and nursing home referred patients who have an infectious disease that can be managed by specialists for those with moderate to severe symptoms. This would allow hospitals and nursing homes to more effectively provide traditional services within their care settings. Generally, those with mild symptoms can remain home. Some with severe symptoms and all with critical symptoms would need hospitalization.

Public Partnership = Acquisition Funds as well as a Subsidy Escrow Fund.

Acquisition = The Billings CIDMOA would ask for a \$5M to acquire, supply and equip a medical facility that can be isolated physically from any other hospital or nursing home for two years as a vaccine is hopefully developed.

Subsidy = \$4M escrow that would offer a safe harbor of operating losses for two years. Balance to be returned to the State of Montana.

Private Partnership = A joint operating agreement hospitals and nursing homes who will commit \$250,000 each, in order to fund an operating reserve to establish a CIDMOA.

Hospital partners, as part of the blanket waivers provided by CMS, would allow Hospitals and Nursing Homes to discharge patients testing positive with the Covid-19 virus to alternate care sites and to bill respectively as if they were their own patients. Hospital partners that direct admissions would pay the CIDMOA \$2,000 per day. Nursing Home partners that direct admissions would pay \$500 per day. This potentially frees up capacity for more traditional services within the Hospital(s) or Nursing Home(s) setting enabling more elective procedures and post hospital rehabilitation, while minimizing fear of discrimination or avoidance within those settings.

Conclusion:

The economic impact of the Covid-19 virus has already been felt by the Healthcare community and the entire economic engine that revolves around healthcare. It is prudent that wherever possible, we create the best environments of health care with the finest and most well prepared staff to serve our citizens. Our citizens, unfortunately, are inflicted by a disease that is indiscriminately affecting all people.

**ANALYSIS**  
14 APRIL, 2020

## Stress-Testing States: COVID-19

Prepared by

Dan White  
[Dan.White@moodys.com](mailto:Dan.White@moodys.com)  
Director

Sarah Crane  
[Sarah.Crane@moodys.com](mailto:Sarah.Crane@moodys.com)  
Economist

Colin Seitz  
[Colin.Seitz@moodys.com](mailto:Colin.Seitz@moodys.com)  
Associate Economist

**Contact Us**

Email  
[help@economy.com](mailto:help@economy.com)

U.S./Canada  
+1 866.275.3266

EMEA  
+44 20 7772 5454 (London)  
+420 224 222 929 (Prague)

Asia/Pacific  
+852 3551 3077

All Others  
+1 610 235 5299

Web  
[www.economy.com](http://www.economy.com)  
[www.moodysanalytics.com](http://www.moodysanalytics.com)

**INTRODUCTION**

The COVID-19 pandemic is set to inflict an unprecedented amount of stress on state governments throughout the country. In an effort to try to provide policymakers and other stakeholders with an estimate of the potential downside implications we have run two recession scenarios through our usual state budget stress-testing methodology. The results are equal parts shocking and encouraging.

The followed table estimates the revenue shortfall of state government in Montana at 400 million. 90% of GF dollars in Montana goto K-12 (education), Health and Human Services, and Corrections. In addition, the state returns approximately 150 million to local governments.

If this shortfall is not successfully addressed, and the Moody forecast is accurate, there will substantial cuts made next year to local services that are paid for by state funds.

# Appendix A

Table 1: Stress-Test Results - Baseline Scenario

	Tax revenue shortfall		Medicaid spending increase		Combined fiscal shock	
	%	\$ mil	%	\$ mil	%	\$ mil
Sum of states	-14.8%	\$(130,445.17)	3.1%	\$27,391.74	-17.9%	\$(157,836.91)
Alabama	-8.3%	\$(769.80)	3.5%	\$327.36	-11.8%	\$(1,097.16)
Alaska	-65.9%	\$(1,768.73)	0.9%	\$23.12	-66.8%	\$(1,791.84)
Arizona	-13.5%	\$(1,501.05)	3.1%	\$343.71	-16.6%	\$(1,844.76)
Arkansas	-11.3%	\$(667.35)	1.9%	\$112.86	-13.2%	\$(780.21)
California	-14.9%	\$(20,513.23)	3.5%	\$4,779.60	-18.3%	\$(25,292.83)
Colorado	-11.5%	\$(1,444.35)	4.0%	\$504.75	-15.5%	\$(1,949.10)
Connecticut	-12.0%	\$(2,353.70)	1.5%	\$294.26	-13.5%	\$(2,647.96)
Delaware	-10.6%	\$(488.68)	1.5%	\$70.56	-12.2%	\$(559.24)
Florida	-18.8%	\$(6,391.69)	5.1%	\$1,744.26	-23.9%	\$(8,135.94)
Georgia	-10.0%	\$(2,553.36)	1.8%	\$454.23	-11.8%	\$(3,007.58)
Hawaii	-12.2%	\$(964.74)	1.2%	\$93.50	-13.4%	\$(1,058.24)
Idaho	-20.3%	\$(756.59)	3.3%	\$123.33	-23.6%	\$(879.92)
Illinois	-13.1%	\$(5,153.02)	2.7%	\$1,059.58	-15.9%	\$(6,212.59)
Indiana	-16.0%	\$(2,665.75)	3.1%	\$516.21	-19.1%	\$(3,181.96)
Iowa	-11.4%	\$(894.74)	2.6%	\$204.94	-14.0%	\$(1,099.68)
Kansas	-17.3%	\$(1,277.17)	1.8%	\$129.11	-19.1%	\$(1,406.28)
Kentucky	-15.6%	\$(1,789.98)	2.0%	\$233.79	-17.6%	\$(2,023.77)
Louisiana	-36.4%	\$(3,474.04)	2.1%	\$195.96	-38.4%	\$(3,670.00)
Maine	-19.7%	\$(756.00)	2.8%	\$108.92	-22.6%	\$(864.92)
Maryland	-7.6%	\$(1,391.09)	2.1%	\$385.44	-9.8%	\$(1,776.53)
Massachusetts	-7.7%	\$(2,673.66)	2.6%	\$895.05	-10.2%	\$(3,568.71)
Michigan	-18.6%	\$(1,929.25)	8.4%	\$872.36	-27.0%	\$(2,801.62)
Minnesota	-9.6%	\$(2,196.89)	2.5%	\$582.37	-12.1%	\$(2,779.26)
Mississippi	-14.5%	\$(840.04)	1.5%	\$88.33	-16.1%	\$(928.38)
Missouri	-22.5%	\$(2,156.37)	5.6%	\$534.49	-28.1%	\$(2,690.86)
Montana	-15.4%	\$(396.86)	1.2%	\$31.41	-16.6%	\$(428.28)
Nebraska	-12.6%	\$(618.65)	1.6%	\$79.27	-14.3%	\$(697.92)
Nevada	-13.4%	\$(572.71)	3.3%	\$140.31	-16.6%	\$(713.02)
New Hampshire	-9.5%	\$(153.90)	5.8%	\$94.00	-15.3%	\$(247.89)
New Jersey	-25.4%	\$(9,631.65)	1.8%	\$701.76	-27.2%	\$(10,333.41)
New Mexico	-11.2%	\$(879.89)	1.0%	\$77.30	-12.2%	\$(957.19)
New York	-25.5%	\$(17,964.68)	3.2%	\$2,263.71	-28.7%	\$(20,228.39)
North Carolina	-10.1%	\$(2,513.90)	2.9%	\$711.36	-13.0%	\$(3,225.26)
North Dakota	-35.9%	\$(688.47)	1.9%	\$37.07	-37.9%	\$(725.53)
Ohio	-8.7%	\$(2,938.86)	6.5%	\$2,200.20	-15.2%	\$(5,139.05)
Oklahoma	-22.2%	\$(1,706.42)	3.2%	\$247.05	-25.4%	\$(1,953.47)
Oregon	-8.1%	\$(929.79)	2.9%	\$333.91	-11.0%	\$(1,263.69)
Pennsylvania	-5.6%	\$(1,959.13)	4.0%	\$1,383.21	-9.6%	\$(3,342.35)
Rhode Island	-12.5%	\$(504.63)	3.1%	\$124.94	-15.7%	\$(629.57)
South Carolina	-16.0%	\$(1,407.94)	3.4%	\$296.72	-19.4%	\$(1,704.66)
South Dakota	-10.2%	\$(167.72)	1.4%	\$22.96	-11.6%	\$(190.68)
Tennessee	-10.8%	\$(1,624.35)	3.9%	\$588.37	-14.8%	\$(2,212.72)
Texas	-14.7%	\$(8,481.95)	2.2%	\$1,301.27	-16.9%	\$(9,783.21)
Utah	-10.3%	\$(777.37)	1.7%	\$129.03	-12.0%	\$(906.40)
Vermont	-14.1%	\$(239.40)	3.7%	\$62.48	-17.8%	\$(301.88)
Virginia	-13.0%	\$(2,780.91)	3.0%	\$637.75	-15.9%	\$(3,418.65)
Washington	-13.6%	\$(3,009.94)	2.2%	\$497.36	-15.8%	\$(3,507.30)
West Virginia	-28.2%	\$(1,343.26)	2.0%	\$93.48	-30.2%	\$(1,436.74)
Wisconsin	-9.9%	\$(1,716.99)	3.6%	\$627.56	-13.5%	\$(2,344.55)
Wyoming	-28.5%	\$(343.65)	2.6%	\$31.17	-31.1%	\$(374.82)

Source: Moody's Analytics

April 20, 2020

Coronavirus Relief Fund Task Force  
c/o Colin Davis, Chico Hot Springs Resort

**Re: Request for funding to establish Montana Tourism Stabilization Fund**

Dear Members of the Coronavirus Relief Fund Task Force,

Thank you for your volunteer work and efforts to serve on the Governor's Task Force to establish priorities for allocating federal funds to assist Montana businesses and citizens who have been greatly affected by the pending COVID-19 Crisis.

Today we are writing you on behalf of the Montana Lodging & Hospitality Association (MLHA) and our members who are unfortunately one of most highly impacted industries effected by the pending pandemic. Our request is made after recent meetings where lodging owners are reporting broad scale employee layoffs, facility closures and many are forecasting difficulty in paying upcoming lodging and property tax payments. As a result, our association has a specific request for much-needed funding from the \$1.25 billion appropriated to Montana through the Federal CARES Act to assist workers, businesses, and sectors of the economy impacted by COVID-19.

Before detailing our request, it is important to consider these highlights that tell the story about what the lodging history is currently experiencing.

- A recent Oxford Study illustrates that over 15,000 Montana lodging jobs could be lost or impacted by the COVID-19 crisis. (report attached)
- A Lodging Industry Impact Report from our national, the American Hotel and Lodging Association (AHLA). **Indicates the following:**
  - As of today, it is estimated that 8 in 10 hotel rooms are empty. (STR)
  - 2020 is projected to be the worst year on record for hotel occupancy. (STR)
  - Right now, half of all hotels are closed at least functionally, if not officially.
  - Lodging facilities that remain open are operating with minimal staffing – on average, full-service hotels are using 14 employees, down from 50 before the crisis. (Hotel Effectiveness)
  - Resort hotels, which averaged about 90 employees per location as recent as March 13, are down to an average of 5 employees per resort today. (Hotel Effectiveness)

- A large majority of hotels are defined as small businesses, and the risk of them going under is especially high.
- An estimated 75% of hotel employees have been laid off or furloughed

The pending crisis is creating significant impact on Montana's lodging industry and today we would like to make a specific ask for up to \$90 million in stabilization funding to assist the tourism industry. These funds would be allocated from the \$1.25 Billion in Federal Funding that will be provided to Montana in response to the economic impacts of COVID 19. Below is a general overview on how the funds would be administered and how the dollars could be utilized.

- A separate state fund would be established and managed by either the Department of Revenue or Department of Administration with a \$90 million balance. We'd reference it as the Tourism Stabilization Fund.
- Lodging properties would collect the standard 8% of lodging taxes through each quarter through the end of 2020.
- They would submit their quarterly report, but not remit the associated tax to Department of Revenue. Rather, the DOR would draw from the Tourism Stabilization Fund.
- This would allow for the distribution of dollars to the General Fund for 4%, the lodging partners at 3% and the Historical Assets at 1%.
- Additionally, lodging properties would be eligible to receive individual property grants. These grants would be based on the difference in how much in lodging taxes they remitted in 2019 each quarter compared to how much they collected in each quarter in 2020. For example, if a lodging facility collected & remitted \$10,000 in the 1<sup>st</sup> quarter of 2019 and in the first quarter of 2020, they collected \$5,000, they would then be eligible for a \$5,000 grant from the Tourism Stabilization Fund.
- At the end of 2020, any unused funds would be carried over to 2021 or developed into grant programs to further fund the general fund and the tourism partners beyond the actual tax reports received.

By establishing a Tourism Stabilization Fund the state could best utilize a portion of the federal funds they will received to help make the general fund whole, protect Regions/CVB's and providing measurable relief to lodging companies.

Sincerely,

*Karen Baker, Chair*  
 Montana Lodging & Hospitality Association  
 & General Manager, Grouse Mountain Lodge  
[kbaker@grousemountainlodge.com](mailto:kbaker@grousemountainlodge.com) or  
[info@mtlha.com](mailto:info@mtlha.com)