



2019 Novel Coronavirus (COVID-19)

NCCBG Coronavirus (COVID-19) Update: 03.26.20



Executive Director Update
March 26, 2020

Good afternoon...

I'd like to start today by taking a deep breath, and I'd ask all of you to collectively take one as well. The flood of information has been staggering. There are conflicting reports and a lot of rumors. Relief is being announced, but we know accessing the help is difficult, to say the least. This unprecedented health crisis is taxing every system in our social safety net. So take a moment and remember, while we are struggling now... this will pass. It will take your calm leadership to navigate your company's survival. I have faith in the industry to adapt and move forward, and I have faith in our members to be a part of that revival. So, let's move on to the news of the day.....

The case count in North Carolina continues to grow, now at 636 up 26% from yesterday. This is roughly the same trajectory we have been seeing, indicating we are still in the middle of this and not close to the end. As of today 50% of the hospital beds (cumulative statewide) are available, and the President approved North Carolina's request to FEMA to be declared a disaster area. This will free relief funds and materials to be released to the state. A number of towns and counties have issued Stay-at-Home orders, with varying rules. We have compiled a listing of local orders ([link](#)) that have been published to date, and will work to keep it current.

Emergency Re-Entry Passes:

Director Sprayberry announced, in today's press conference, the Department of Emergency Management would not be issuing Re-Entry passes for the coronavirus pandemic, rather leaving the management of this situation to local authorities. Fortunately to date, all local

stay-at-home orders have deemed food and beverage production and delivery as essential services.

Thankfully, our friends at the Department of Agriculture have issued a Notice of Essential Food and Agriculture Employee authorization. Please print and execute one document for each of your employees. This should allow your folks on the road to conduct business and travel to & from work. ([Download Document Here.](#))

Congressional Relief Package:

Much remains to be understood from the pending \$2T relief package awaiting a House vote and signature from the President. There is a lot in the bill, but some things are getting clearer.

(CAVEAT: We encourage you to seek advice from your financial, tax and HR professionals as you consider options). For those interested in reading the 883 pages of the CARES Act - [Click Here](#). Below are some highlights:

- SBA Grants:
 - SBA will administrator a \$349 billion Paycheck Protection Program
 - Eligible recipients include small businesses, self-employed individuals, nonprofits and Tribal business concerns
 - Allowable uses include payroll, rent, mortgage payments, and utility costs. (Sections 1102 and 1107)
 - Borrower eligible for loan forgiveness on amounts spent during an 8-week period after the origination date of the loan on qualifying payroll costs, interest payments on mortgages, rent, and utilities.
 - Amount forgiven is a function of the number of employees retained. (Section 1106)
 - \$10 billion for Small Business Administration (SBA) emergency (Economic Injury Disaster Loan) grants of up to \$10,000 to provide immediate relief for small business operating costs. (Section 1107)
 - \$17 billion for SBA to cover 6 months of payments for small businesses with existing SBA loans. (Section 1107)
- Employee Retention Tax Credits
 - Provides a refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.
 - The credit is generally provided for the first \$10,000 of compensation, including health benefits, paid to an eligible employee.
 - The credit is provided for wages paid or incurred from March 13, 2020 through Dec. 31, 2020. (Section 2301)

- Delay of employer payroll tax payments
 - Allows employers and self-employed individuals to defer payments of the employer share of the Social Security tax on behalf of their employees.
 - Deferred payments must be paid over the following two years, with half due by Dec. 31, 2021 and the other half by Dec. 31, 2022. (Section 2302)

- Unemployment Insurance - provides expanded unemployment insurance benefits. The bill:
 - Creates a temporary Pandemic Unemployment Assistance program for those not traditionally eligible for unemployment benefits (self-employed, independent contractors, those with limited work history, and others) who are unable to work as a direct result of the coronavirus public health emergency.
 - Provides payments to states to reimburse nonprofits, government agencies, and Indian tribes for half of the costs they incur through December 31, 2020 to pay unemployment benefits.
 - Provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months.
 - Provides funding to pay the cost of the first week of unemployment benefits for states that choose to pay recipients as soon as they become unemployed instead of waiting one week before the individual is eligible to receive benefits.
 - Provides an additional 13 weeks of unemployment benefits to help those who remain unemployed after weeks of state unemployment benefits are no longer available.
 - Provides funding to support “short-time compensation” programs, where employers reduce employee hours instead of laying off workers and the employees with reduced hours receive a pro-rated unemployment benefit. This provision would pay 100 percent of the costs they incur in providing this short-time compensation.
 - Provides funding to support states which begin “short-time compensation” programs. This provision would pay 50 percent of the costs that a state incurs in providing short-time compensation. (Sections 2102-2109)

- Temporary Moratorium on Eviction Filings.
 - For 120 days beginning on the date of enactment, landlords are prohibited from initiating legal action to recover possession of a rental unit or to charge fees, penalties or other charges to the tenant related to such nonpayment of rent where the landlord’s mortgage on that property is insured, guaranteed, supplemented, protected, or assisted in any way by HUD, Fannie Mae, Freddie Mac, the rural housing voucher program or the Violence Against Women Act of 1994. (Section 4024)

General Information:

- County and City Stay-at-Home order compilation [available for review here](#) and on the [COVID-19 FAQ page](#)
- Brewers Association recap of the CARE Act
<https://brewers.informz.net/informzdataservice/onlineversion/ind/bWFpbGluZ2luc3RhbmNlaWQ9Nzg2MjAyMyZzdWJzY3JpYmVyaWQ9OTIzMTMxNjM0>
- The COVID-19 law passed Wednesday requires all employers to post this notice in a conspicuous place ([click here to download notice.](#)) E-mailing or posting to an intranet site for your employees or notifying employees and posting on your external website is acceptable as well. Thank you to Ward & Smith for the heads up.

There is no doubt we are in uncharted waters, but that said we are still bound by the rules and regulations of our industry. Please be mindful this crisis has not afforded the industry any special privileges. Make sure your events, promotions, etc. comply not only with local and state COVID-19 orders, but with all ABC rules and NC General Statutes as well.

Remember...

- **You are on the front lines to help keep your patrons and employees safe and healthy. *Follow the Guidance and Executive Orders!***
- **Use common sense in planning and finding ways to market and sell your products.**
- **Keep perspective, as we are in the midst of a global crisis.**
- **The faster we stop the spread of the virus the faster we can get back to business.**
- **Stay focused on what you can control and be ready to adapt.**
- **And, as always, *take care of each other*, your employees, your customers, and yourselves, as this will be a long and challenging road**

Please keep us posted on what is going on either by reaching out to me with your questions, richard@ncbeer.org, or posting consumer related information to promotions@ncbeer.org

UPDATES AND RESOURCES

<https://www.ncdhhs.gov/es/divisions/public-health/coronavirus-disease-2019-covid-19-responses-north-carolina/nc-updates>

<https://www.cdc.gov/coronavirus/2019-ncov/index.html>

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019>

<https://www.brewersassociation.org/beer-industry-updates/coronavirus-resource-center>

<https://ncbeer.org/covid-19.php>

