Produced by: Heneke Business Consulting Services
[www.hbcs.us](http://www.hbcs.us)


Minnesota Unemployment – State Response

Where to go: <https://www.uimn.org/applicants/needtoknow/news-updates/covid-19.jsp?fbclid=IwAR1qlFhMTwEYG6khLsUUHi1P_XvZiZ_WBxz1JMKRIrG8fof4sqZpeF9DE6o>
FAQ’s for employees: <https://mn.gov/deed/newscenter/covid/workers/>
FAQ’s for employers: <https://mn.gov/deed/newscenter/covid/employers/>

Up-to-date info on Walz-Flanagan measures to assist workers specific to COVID: <https://mn.gov/deed/>

Note: I have heard that the set-up process is strongly encouraged to be completed online and takes about a week to establish a profile. From there, employees can determine if they are eligible. I have also heard that the ‘non-payable’ week does not apply in these circumstances.

State authorities have asked that employees not call and overwhelm customer service. Use the website exclusively, unless you are not an English speaker.

Update 3/18: If you wish to avoid a total layoff and are planning to offer workers reduced hours, you and your employees may qualify for the ‘shared work – alternative to layoff’ program. Find it here: <https://www.uimn.org/employers/alternative-layoff/index.jsp>

Update 3/19: One week waiting period is waived under this regulation

New Families First Coronavirus Relief Act (FFCRA) – Federal Response

Here’s what we know as of 3/17/20



There are still lots of details to understand here as the bill is not yet passed.

More info to come as we find out more!

Update 3/18: Guidance specific to independent contractors and owners (taking draws and not salaries) is still largely unknown at this time.

Update 3/19: Several updates via Dunlap & Seeger as the statutes have been signed into law:

* 2 weeks paid sick leave required to all employees
* Benefit caps apply
* Only applies to employees who cannot work because of minor child’s school/care service is closed
* Refundable tax credit to employers via 6.2% Social Security quarterly tax up to $137,000
* Credits become available Q2-Q4 2020
* Mismatch of cash outflow/inflow is currently under review at Federal level to assist with short-term cash flow concerns
* Employers should receive a model notice within the next 7 days; guidelines coming within 15 days from Secretary of Labor

Small Business Administration (SBA) Loans

There are a variety of small business loan options that may be available to get you through this difficult patch.

SBA Financing Programs: <https://mn.gov/deed/business/financing-business/guidance/sba-financing.jsp>

Small Business Assistance Office: <https://mn.gov/deed/business/help/sbao/>

Update 3/18: SBA’s Disaster Loan program is likely to activate. The SBA’s disaster assistance customer service phone is 1-800-659-2955.

Update: 3/24: Loan process is expected to be cumbersome with lots of documentation required. Approvals are likely to take 15-30 days. However, the approval rate is expected to be very high. Additional potential benefits in applying include:

* High probability of loan approval
* The State may forgive the debt at some future point (TBD)
* Business owners can apply for $25k in loans without collaterol

Bank Loans, Lines of Credit, Payment Deferrals

In corresponding with Rochester local banks, I am hearing that many are in deep discussions about how to create cash flow into the small business markets in order to assist with short-term cash flow concerns. If you haven’t already, I would encourage you to reach out to your local bank and ask for specifics about:

* The possibility of immediately establishing a line of credit to ease short-term cash flow pinches that is potentially/likely forthcoming.
* The possibility of short-term stoppage of loan payments or interest-only payments in order to ease the burden of short-term cash flow issues.

Update 3/22: Kabbage Business Loans

An option I’m currently exploring through is for a business loan. I am currently stepping through this process as a small business owner to see if I can recommend it to others.

* Loan review process includes a personal credit review, not just a business review. This can impact your personal credit score.

Human Resources (info offered 3/19)

* You may take temps of employees and require social distancing
* Under ADA, you may ask them questions about COVID symptoms and send them home
* You can ask for a doctor’s note related to COVID