WELCOME

Mary Luehrsen
NAMM Director of Public Affairs and Government Relations
Antitrust Reminder

NAMM has put in place an Antitrust Policy governing all activity during NAMM-sponsored events. NAMM’s Antitrust Policy covers all participants, including speakers, and audience members at NAMM Events.

Participants in today’s webinar must not exchange competitively sensitive information, including information regarding wholesale and retail prices, discounts, credit terms, margins or profits, proposed price increases or decreases, price ranges, price formulas, MAP policies and RPM policies.
Disclaimer

NAMM is monitoring and providing Members with information about COVID-19, including guidance from the World Health Organization, the Centers for Disease Control, and federal, state, and local government authorities and health officials; this information continues to constantly change. As a service to its members, NAMM seeks to provide information that is helpful, accurate and up-to-date to the best of its knowledge. Information presented is not professional medical, legal or financial advice, and we encourage all NAMM Members to contact their professional advisors as you plan and take action based on information provided.
What We Will Cover

• Update on music industry businesses and relief fund application efforts

• Hear from the Pros: NAMM members share their experience with the federal aid application process and the new COVID-19 reality

• Summary of Relief for Employers, Employees and Independent Contractors

• NAMM Member Resources
NAMM Member Panel

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COVID-19 Small Business Relief

Presented by: NAMM Public Affairs and Government Relations
WE ARE ALL IN THIS TOGETHER

COVID-19

Resources and Updates to Support Our Members
Update: Music Industry Businesses Relief Fund Application Efforts
Limitation on Paid Leave (Amended Leave Provisions in Families First Coronavirus Response Act)

- Employee is not required to pay more than $200 per day and $10,000 per employee under the FMLA, for the purpose of taking care of a child who is under 18.
- Employee is not required to pay more than $200 per day and $10,000 per employee under the Emergency Paid Sick Leave Act.
- Employer is not required to pay more than $200 per day and $10,000 per employee under the Emergency Paid Sick Leave Act.
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Paid Leave for Retired Employees

- Allow an employed or self-employed individual to take up to 2 weeks of paid family and medical leave in any 1 year if the employee or self-employed individual is entitled to such leave by reason of being the spouse, parent, or grandparent of a child, or a spouse, parent, or grandparent of a spouse.
- Allow an employed or self-employed individual to take up to 2 weeks of paid family and medical leave in any 1 year if the employee or self-employed individual is entitled to such leave by reason of being the spouse, parent, or grandparent of a child, or a spouse, parent, or grandparent of a spouse.
- Allow an employed or self-employed individual to take up to 2 weeks of paid family and medical leave in any 1 year if the employee or self-employed individual is entitled to such leave by reason of being the spouse, parent, or grandparent of a child, or a spouse, parent, or grandparent of a spouse.

Pandemic Unemployment Assistance (PUA)

- PUA: Emergency increase in unemployment compensation benefits through December 31, 2020—2020 through December 31, 2020 for those not traditionally eligible for unemployment benefits.
COVID-19 Small Business Relief Part I - Webinar Recording

Important updates regarding the current Federal and State Relief for Businesses impacted by the COVID-19 crisis. Topics: Federal Aid State of Play, SBA Economic Injury Disaster Loan Program, Expanded Paid Sick and Family leave, Expanded Unemployment Assistance, Tax Filing / Payments Deferral and NAMM Member Resources. View the recorded webinar here.

Updates

Impact Payments Information, and SBA/PPP Loan Application and Guidelines (Updated April 3, 2020)

IRS Economic Impact Payments:
The Internal Revenue Service has set up a website with up-to-date guidance to help taxpayers, businesses and others affected by the coronavirus. Distribution of economic impact payments to individuals will begin in the next three weeks and will be distributed automatically, with, hopefully, no action required for most people. Social security recipients, who are not typically required to file a tax return, will automatically receive economic impact payments. For guidance, see Economic Impact Payments: What You Need To Know.

Paycheck Protection Program:
Small businesses and eligible non-profit organizations, and Veterans organizations described in the Small Business Act, as well as individuals who are self-employed or are independent contractors, are eligible if they also meet program size standards.

- For a top-line overview of the program: Click Here
- Paycheck Protection Program – Interim Final Rule - Here (Updated April 2, 2020)
- Information for borrowers: Here
- Application for borrowers: Here (updated April 2, 2020)
- Information for lenders: Click Here

The Treasury Department has indicated that applicants can begin obtaining loans from participating lenders as soon as Friday, April 3, 2020 (for small businesses and sole proprietorships). Independent contractors and self-employed individuals can begin applying for loans to cover their payroll and other certain expenses through existing SBA lenders on Friday, April 10. To apply, borrowers must complete the application and submit payroll documentation. Visit www.sba.gov for a list of SBA lenders.

FAQ on Paycheck Protection Program (PPP) loans
Approved Lender Locator Tool

NAMM Members Share Their Experience with the Federal Aid Application Process
Reflections
The Process
Final Thoughts
Summary of Federal Emergency Aid
For Employers

- **SBA Economic Injury Disaster Loans (EIDL)** - Small business relief to small businesses (500 or fewer employees) and nonprofit 501 c(3) organizations

- **Paycheck Protection Program (PPP)** - Funds payroll costs, cost related to the continuation of health care benefits, sick leave, medical or family leave and insurance premiums, salaries, commissions or similar compensations, payment or rent, utilities and interest on existing debt

- **Paid Medical and Family Leave for Rehired Employees**

- **“Good Cause Exemption” from Sick and Family Leave**

- **Employee Retention Credit** – For non-PPP loan recipients

- **Delay of Payment of Employer Payroll Taxes and Tax Filing**

- **Modifications for Net Operating Losses** - Can be carried back five years

- **Modification of Limitation on Business Interest** - From 30% to 50% of ‘19 and ’20 taxable income

- **Technical Amendment Re Qualified Improvement** - Write off costs associated with improving facilities

- **Advance Refunding of Tax Credits**
For Employees

- **Recovery Rebates for Individuals** - No action required - IRS will use a taxpayer’s tax return
- **Special Rules for Use of Retirement Funds** - Waives the 10% early withdrawal penalty for distributions up to $100,000. Allows Income Tax on distributions over three years, and allows one to recontribute the funds within three years without penalty
For Independent Contractors

- **Pandemic Unemployment Assistance** - Provides an additional $600 per week payment to each recipient of unemployment insurance or PUA for up to 39 weeks of benefits to qualifying individuals to help those who remain unemployed after weeks of state unemployment benefits are no longer available.

- **Emergency Economic Injury Disaster Loans** - Expands eligibility for access to include any individual operating as a sole proprietor or an independent contractor.

- **Paycheck Protection Program** - Includes sole-proprietors, independent contractors, and other self-employed individuals as eligible for loans.

- **Family and Medical Leave Provisions** - Extended to “eligible self-employed individuals” as defined in the law.
Call to Action:

**Employers**
Contact SBA or your business lender and initiate an application ASAP

**Employees**
Work with current or former employer to tap CARES Act job retention options

**Independent Contractors**
Contact state or local unemployment office and apply for enhanced unemployment benefits
Limitation on Paid Leave (Amended Leave Provisions in Families First Coronavirus Response Act)

- Employer is not required to pay more than $200 per day and $1,000 per employee under the FMLA, for the purpose of taking care of a child at home who is ill.
- Employer is not required to pay more than $200 per day and $1,000 in the aggregate for a child for each employee under the Emergency Paid Sick Leave Act.

Paid Leave for Retired Employees (Amended Leave Provisions in Families First Coronavirus Response Act)

- Allow an employee who was laid off by an employer March 1, 2020, paid family and medical leave in certain instances if they are retired.
- Employee would have had to work for the employer at least 20 days.

Paycheck Protection Program (PPP)

- (New; Loans available through SBA and Treasury-approved banks)
- Loan Amount:
  - Loan amount must be less than $10,000,000 or 2.5x of the borrower’s cost for the preceding year (two and a half months, payroll provision included) plus the amount of any existing section 7(a) disaster loans.
  - Credit enhancements and collateral requirements waived.
  - Requires eligible borrowers to make good faith certification that the use of current economic conditions caused by COVID-19.

Local Governmental: Call to Action, Work With Current or Former Employee to Tap CARES Act Job Retention Options

- 2020 Recovery Rebates for Individuals
  - U.S. residents with adjusted gross income up to $75,000 ($35,000 married), who are not dependent of another taxpayer and have a work eligible social security number, are eligible for the full $1,200 ($600 married) rebate; they are also eligible for an additional $500 per child.
  - For most majority Americans, no action on their part will be required in order to receive a rebate check PPS will use a taxpayer’s 2018 tax return if filed, or in the alternative, their 2019 return. This includes many low income individuals who get a tax return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit.
- Local Employees: The rebate amount is reduced by $50 for each $1000 that a taxpayer’s income exceeds the phase out threshold. The amount is completely phased out for single filers with incomes exceeding $150,000, $11,650 for head of household with one child, and $16,000 for joint filers with children.
- Exchange Rates for Use of Retirement Funds
  - Waives the 10% early withdrawal penalty for distributions up to $1,000,000 from qualified retirement accounts for COVID-19-related purposes made on or after January 1, 2020.
- Income attributable to such distributions would be subject to tax over three years, and the taxpayer may contribute the funds to an eligible retirement plan within three years without regard to the year’s cap on contributions and provides temporary tax relief from certain retirement plans for coronavirus-related relief.

Coverage of Diagnostic Testing

- Preventive Services, and Vaccines for COVID-19
- Clarifies that all testing and future potential vaccines for COVID-19 to be covered by private insurance plans without cost-sharing, including those tests without an Emergency Use Authorization by the FDA.

Independent Contractors: Call to Action, Contact State or Local Unemployment Office and Apply for Enhanced Unemployment Benefits

- Pandemic Unemployment Assistance (PUA)
  - PUA: Emergency increase in unemployment compensation benefits through December 31, 2020 – previous payment through July 25/2020 to those not traditionally eligible for unemployment.
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Additional Resources

Employers
- NRF - CARES Act brings billions to cash-strapped retailers
- NRF - Summary of Key Retailer Provisions in the CARES Act
- Nelson Mullins - COVID-19 Employee Leaves, Layoffs and Reductions in Hours: Employer Benefits Considerations
- Department of Labor – Employer FAQ and Summary
- National Retail Federation’s State Resources for Retailers on COVID-19
- U.S. Chamber COVID-19 Toolkit: Graphics, signs, flyers, social media assets, and more
- SBA Guidance for Businesses and Employers to Plan and Respond to COVID-19
- Staying Compliant and Minimizing Impact Amid Coronavirus Concerns: 10 things employers should do
- CDC Guidance for Businesses and Employers
- COVID-19 Information for Australian Retailers
- CA Chamber of Commerce Coronavirus (COVID-19) Resources for California Businesses

Employees and Independent Contractors
- NPR Music: Resources For Music Businesses And Industry Workers
- WIN’s COVID-19 Worldwide Resources for the Independent Music Community
- Billboard’s State-by-State Resource Guide for Music Professionals

General Information
- Nelson Mullins - COVID-19 Resources
- Navigate States’ Responses to COVID-19 - Interactive Map
- NACo’s List of US County COVID-19 Declarations and Policies
- NGA’s State/Territorial COVID-19 Resource Pages

Making Music Online Webinars

- Teaching and Learning Music Online
- Making Music Online: How To's for Private and Group Lessons
- Making Music Online: How To's for Ensembles

Presented by: NAMM Public Affairs and Government Relations
Free Online Session: Financial and Tax Response to COVID-19

Are you concerned about the financial impact of COVID-19 on your business? Then join industry experts Alan Friedman, CPA, and Daniel Jobe, EA, of Friedman, Kannenberg & Co. for a vital online session about music business finance in the time of COVID-19.

Get vital tips and new ideas for generating cash flow and reducing expenses during this disruptive period. Discover what you must know about staffing, revenue and future planning as you navigate the current business environment. Also, Friedman and Jobe will explore changes in federal and state tax return filing and payments deadlines.

Space is limited, so be sure to reserve your spot. Register here. The webinar will take place at 11 am PT on Apr 1, 2020.

If you can't join us live, a recording will be available at NAMM U Online afterwards for NAMM members.
Watch Now: Music Retail in the Time of COVID-19

View this special online session here!

How do you deal with the coronavirus outbreak at your music retail business? What's the smart thing to do at your business right now? How do you lead when leadership is tough?

If you're asking these questions and more, join Bob Phibbs (a.k.a., The Retail Doctor) for this special, free online session for NAMM members. Phibbs is a global retail expert, thought leader and previous host of the NAMM Retail Innovation Summit.
Sales & Marketing in the Time of COVID-19, With Marcus Sheridan

First Session This Friday, April 10 at 10 am PT

COVID-19 has affected business in ways none of us could have ever imagined. Without question, for many of us, this has been one of the most disruptive business events we’ve ever gone through.

NAMM welcomes Marcus Sheridan for this special, free webinar series on sales and marketing strategies in the time of COVID-19. Sheridan is an internationally acclaimed business expert, named 1 of 20 “Speakers You Don’t Want to Miss” by Forbes magazine. He’s also the host of previous NAMM U Breakfast Sessions and, most recently, the NAMM Retail Innovation Summit. He became known for using the 2008 recession to be the catalyst for building his failing company into one of the largest swimming pool builders and manufacturers in the world.

Space is limited, so reserve your spot here: part one, part two and part three.
Reminder

All information and resources mentioned in this webinar are available here:


Let Us Hear From You
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THANK YOU
WE ARE ALL IN THIS TOGETHER

COVID-19

Resources and Updates to Support Our Members