Governor Gary R. Herbert

Utah Leads Together

Utah's plan for a health and economic recovery

Prepared by the Economic Response Task Force

This economic response aims to protect lives and livelihoods. It provides a dynamic plan for a dynamic situation. The data and measures that inform this plan will be monitored daily and the recommendations will be updated as required.

April 17, 2020

VERSION 2

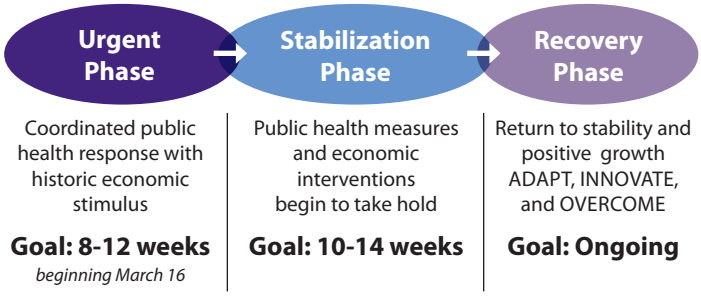
Utah Leads Together Overview

The *Utah Leads Together* Plan begins with the premise that every Utahn plays a role in Utah's recovery. We lead together. This leadership requires Utahns to continue to take three major actions:

1. **Follow public health guidelines**
2. **Stay engaged with the economy**
3. **Assist those in need**

Under the leadership of Gov. Gary Herbert and the Utah Legislature, and with input from local government, the Utah Economic Response Task Force prepared this second version of Utah's health and economic recovery plan. It provides Utah businesses and residents with clarity and specifics about Utah's plan for a full health and economic recovery.

Version 2 of the *Utah Leads Together* plan builds upon Version 1, released March 24, 2020, by introducing promising new data tools. These tools will help Utah transition from the urgent phase to the stabilization phase as we move towards full reactivation of the Utah economy. This reactivation can only occur if Utahns vigilantly follow public health guidance.



Phases of Reactivation

The *Utah Leads Together* plan recognizes that markets correct, recessions end, and prosperity returns. We expect Utah's economic reactivation to continue to follow three phases: urgent, stabilization, and recovery.

URGENT PHASE UPDATE

Utah entered the urgent phase in mid-March, 2020 when it became apparent that the COVID-19 virus had begun to spread throughout the community without obvious points of origin. The state swiftly enacted urgent public health measures such as school closures, dine-in option closure, the Stay Home, Stay Safe directive, limitations on gatherings and line formations, travel limitations, limitations on electrive procedures, and a moratorium on residential evictions for tenants impacted by COVID-19.

The strict social distancing measures and increased testing that Version 1 of the *Utah Leads Together* plan called for are working. We base these assessments on these indicators:

- **Hospital Capacity** – The rate of new hospitalization in Utah has dropped since the beginning of April. Intensive Care Unit bed utilization has stabilized at 16%. The maximum utilization rate in one area of 53% is expected to be on a downward trajectory.
- **Transmission Rate** – Utah's transmission rate is down. In mid-March, unmitigated transmission rates exceeded 2.5. As of early April, Utah's transmission rate has generally been below an estimated critical threshold of 1.0.
- **COVID-19 Cases** - As of the first week of April, lab tests confirmed over 2,600 cases of COVID-19 in Utah. Each of Utah's 13 health districts reported cases, with Salt Lake, Utah, and Davis counties accounting for about 85% of cases. The outbreak led to 238 hospitalizations and 21 deaths as of April 17.

The social distancing measures, while protecting public health, created significant economic disruption. Businesses shuttered, thousands of Utahns lost their jobs, and retirement savings evaporated.

COVID-19's economic impacts also touched every part of the state. In the three weeks beginning March 16, over 81,000 Utahns (about 5.1% of the employed labor force) filed a claim for unemployment insurance. Nationally, about 9.6% of the employed labor force filed a claim.

Salt Lake, Utah, and Davis counties posted approximately 70% of Utah's initial claims. Grand, Garfield, and Summit counties experienced the most considerable impacts relative to their employed populations. The leisure and hospitality sector endured the greatest impact, both in gross claims and relative to sector jobs.

Figures 1 and 2 include employment impact by county and industrial sector.

FEDERAL AND STATE UPDATE

Version 1 of the *Utah Leads Together* plan anticipated swift and significant federal economic assistance. The federal government acted with pace and power. Among other actions, Congress and the president passed the Coronavirus Aid, Relief and Economic Security Act (CARES Act). This unprecedented federal stimulus provides $2.2 trillion in assistance to America's health care system, small businesses, individuals and families, and large institutions (such as the airline industry and national security critical companies). Among the most important components of the CARES Act are these:

- **Paycheck Protection Program** – Provides 100% federal-guaranteed loans to eligible businesses. According to the Governor's Office of Management and Budget (GOMB), this program will benefit tens of thousands of Utah businesses (and their employees) by bringing more than $3.1 billion in cash assistance.
- **Direct Financial Help for Workers and Families** – Provide every American earning less than $75,000 a payment for $1,200 and $500 for each dependent. Americans earning more will receive a phased down amount. GOMB estimates Utah will receive a total of $2.5 - $2.8 billion in direct payments from the federal government from this program.
- **Support for Patients and Health Care Workers** – Ensures COVID-19 diagnostic tests are covered free of charge (regardless of insurance), expands telehealth for COVID-19 related services, and provides billions of dollars in additional funding for personal protective equipment (PPE) and medical supplies.
- **Federal Reserve Support** – Provides up to $2.3 trillion in loans to support economic recovery. These actions include supplying liquidity to financial institutions supporting the SBA's Payroll Protection Program, purchasing loans through the Main Street Lending Program, expanding the size and scope of corporate credit facilities and asset-backed securities, and establishing a Municipal Liquidity Facility.

In addition to federal actions, Utah state government acted immediately to create the *Utah Leads Together* Small Business Loan Program. In the first tranche, 500 applicants received $6.1 million in loans, ranging from $5,000 to $20,000, with 0% interest for up to five years. The Governor's Office of Economic Development has now opened round two of funding, where an additional $4.9 million of loans will be available for small businesses, including non-profits.

Utah leaders anticipate additional federal assistance will be forthcoming.

LOCAL GOVERNMENT INVOLVEMENT

Utah's county and municipal governments provide critical services to Utahns and play an important role in every phase of Utah's economic reactivation.

This *Utah Leads Together* plan contemplates that the governor, Utah Legislature, and local governments (including local health departments) will work closely with Utah businesses to reactivate the Utah economy. Each entity plays an important role in moving Utah from the urgent, to the stabilization, and to the recovery phase.

Utah counties, cities, and towns have identified five principles to guide their actions in partnership with the state:

Principles:

1. Follow and implement federal, state, and local health department health guidelines
2. Coordinate and cooperate across the various levels of government
3. Ensure a federally supported, state managed, and locally executed plan that reflects a "no one size fits all" approach
4. Engage and inform residents, non-profits and businesses of health recommendations and financial assistance
5. Adapt processes to minimize service disruption and continue local government functions

Local Governments Making a Difference

Utah cities and counties are known for their innovative spirit. Today, more than ever, we see examples across the state of that innovative spirit making a difference in the lives of Utahns.

- Online recreation classes
- Virtual libraries, online story times, and curbside library services
- Home meal delivery for seniors
- Drop-off locations for face covering donations
- Building inspections by video
- Suspending water shut-offs for past due accounts
- Hiring unemployed residents to assist with additional projects, such as building trails
- Business surveys and personal guidance to support businesses

Supporting Local Businesses and Employees

The Economic Response Task Force recommends significant state action to support Utah businesses and employees. We cannot avoid the economic disruption caused by COVID-19, but we can choose to manage it wisely.

The Task Force offers the following ideas for state and local government consideration.

- **Protocols** – Provide specific public health protocols aligned to each color-coded health guidance scheme
- **Seal of Approval** – Set up a "seal of approval" system for businesses that are trained and comply with health protocols. This could include a certificate/sticker that businesses could prominently display for public review. This certification would serve as an incentive for businesses to take health protocols seriously and to instill public confidence in those businesses
- **Liability** – Address business liability issues related to COVID-19
- **Assist with Federal Programs** – Assist and emphasize access to business and household assistance from federal programs
  - o Paycheck Protection Program
  - o Unemployment Insurance for those laid off or furloughed
  - o Fund performance-based contracts to help small businesses get federal help
- **Business Assistance** – Using CARES Act funding controlled by the state to provide short-term assistance to help businesses that fall through the cracks of federal programs (loans and/or grants)
  - o Short-term rent assistance for businesses and people
  - o Operating capital
  - o Consider offsetting a portion of unemployment insurance rate increases for employers
  - o Other
- **Personal Protective Equipment (PPE)** – Ensure businesses and their employees have access to PPE and other items "regular" businesses will need to comply with safety protocols, including potentially building a supply chain within Utah
- **Regulations –** Relax business regulations, like those for advertising for restaurants
- **Education –** Provide parents flexibility in work schedules and opportunities to telework

Figures 3 and 4 provide information for utilizing federal resources and a summary of small business loans available to Utahns.

Five Principles for the Full Reactivation of the Utah Economy

1
Vigilance
Minimize economic harm and avoid a resurgence of the virus

2
Data-informed judgment
Track key economic and health indicators that will guide judgment calls about the reactivation of the Utah economy

3
Respect for geographic differences
Recognize economic regions, counties, and communities face different circumstances

4
Care for the vulnerable
Take extra precautions with the most vulnerable

5
New protocols for safety
Accelerate reactivation of the economy by making maximum use of available protections (masks, temperature testing, fumigations, health inspections, etc.)

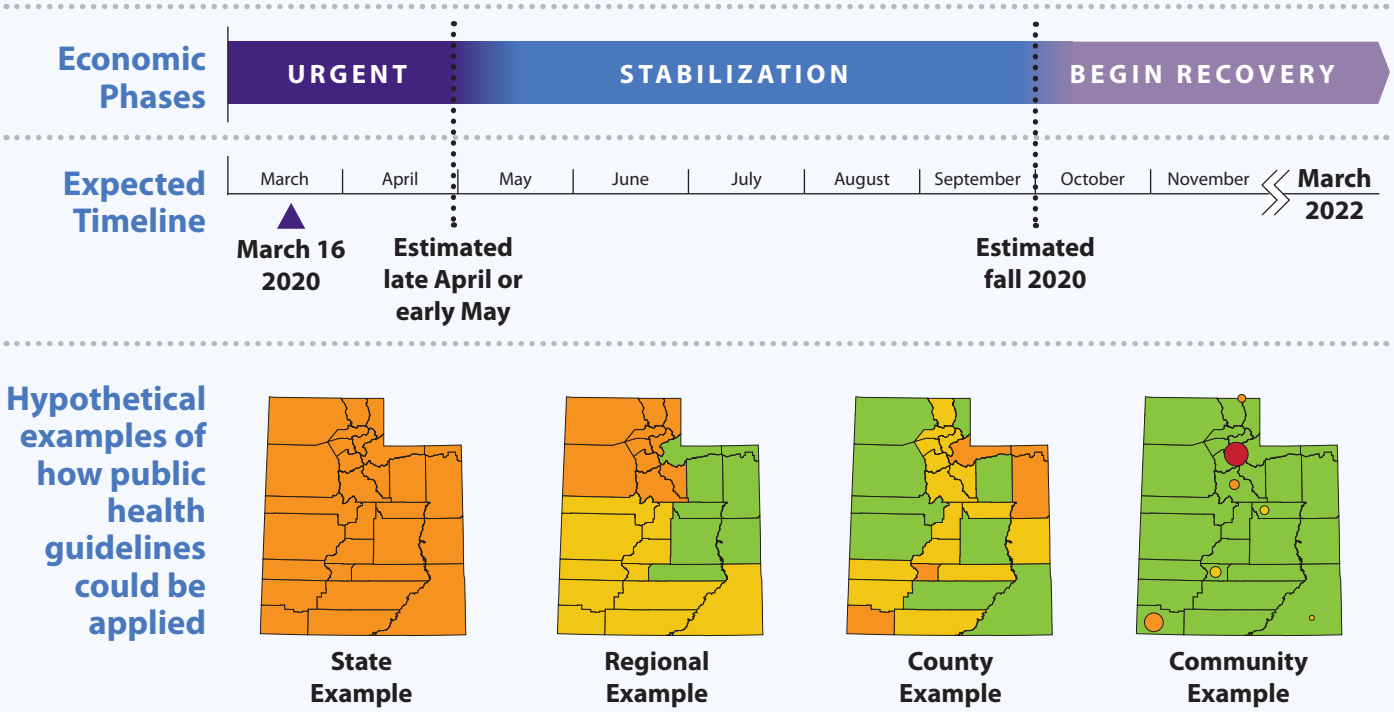
Figure 5: Economic Phases and Health Guidance

The *Utah Leads Together* plan includes three economic phases (urgent, stabilization, and recovery) with an overlay of four colors of public health guidance (red, orange, yellow, and green). The economic phases are statewide, include an anticipated timeline, and convey the expected path to full economic reactivation. The public health guidance is regional and not bounded by time.

The color-coded health guidance system is designated by the governor with input from a statutory board of health and economic experts staffed by GOMB who have access to a detailed dashboard of monitoring, testing, and hospital utilization data. These data include health, social, and economic measures. The guidance can be applied anytime and anywhere to address virus flareups or hotspots.

This versatile system will help Utah manage the health and economic risk over the next 24 months or until a medical solution is discovered. It is possible and even likely that multiple guidance colors will be designated by region, county, city, or community at the same time. It is also possible that areas within the state will move from orange to yellow to green and back again based on the characteristics of the virus and our actions.

The phases, timeline, and maps below show the relationship between economic phases and hypothetical examples of how the public health guidance colors could be applied.



Red means high risk and is the level of guidance Utah is in right now.

Orange means moderate risk for everyone, but high-risk individuals.

Yellow means low risk for everyone, but high-risk individuals.

Green means a new normal risk for everyone, but high-risk individuals.

In every color of guidance, high-risk individuals operate under specific instructions issued by the Utah Department of Health.

Figure 6: Industry Summary of Color-Coded Health Guidance

Initial recommendations of Economic Response Task Force

Select Industry	High Risk	Moderate Risk	Low Risk	New Normal Risk
General Employer Guidelines	Employers exercise extreme caution, with employees working remotely, evaluating workforce concerns, and enacting strategies to minimize economic impact. Businesses that necessitate on-site work should monitor workforce for symptoms and well-being.	Employers exercise extreme caution, with employees working remotely, evaluating workforce concerns, and enacting strategies to minimize economic impact. Businesses that necessitate on-site work should monitor workforce for symptoms and well-being.	Employers encourage flexible working arrangements (rotating shifts, remote, etc.). Comply with distancing guidelines. Increased cleaning regimen of high-touch areas. Monitor employees for symptoms and well-being.	All businesses are open and operating under stricter hygiene and cleaning regimen. Monitoring health of workforce and customers.
Restaurants & Food Service	No dine-in service and extreme caution taken in food prep. Physical distancing maintained. Curbside pickup, takeout, and delivery only. Contactless payment encouraged. Create safe environment for staff.	Takeout/delivery options preferable. Dine-in services allowed with extreme precaution. Follow strict guidelines for physical distancing and staff monitoring. Contactless payment encouraged. Create safe environment for staff.	Dine-in services allowed with precaution. Follow strict guidelines for physical distancing and staff monitoring. Create safe environment for staff.	Dine-in restaurants operating under proper safety precautions for staff & customers.
Retail (Including grocery stores & pharmacies)	Essential retail (e.g. grocery) create safe environment for customers & staff w/ frequent reminders on distancing and hygiene. Monitor patrons and employees for symptoms. Employees wear face coverings.	Create safe environment for customers & staff w/ frequent reminders on distancing and hygiene. Monitor employees for symptoms. Employees wear face coverings.	Exercise discernment, establishing principles for safe environment & public trust. Monitor employees for symptoms and encourage face coverings.	Operate under heightened hygiene & cleaning standards. Monitor employees for symptoms.
Hotel, Tourism, & Accommodations	Limited operations. Take extreme precaution for staff & guests.	Take precautions with shared spaces, w/ increased cleaning regimen. Self-serve buffets closed. Employees wear face coverings.	Businesses take precautions with shared spaces. Increased cleaning regimen	Industry open w/ precautions for staff & guests.
Events & Entertainment	In-person operation of this industry is allowable under strict social-distancing restrictions, increased cleaning regimen and group size must allow for all distancing guidelines to be followed within each event venue.	In-person operation of this industry is allowable with strict social-distancing requirements and increased cleaning regimen. Operational protocols in place to ensure safe distancing restrictions are met.	In-person operation of this industry is allowable with strict social-distancing requirements and increased cleaning regimen. Operational protocols in place to ensure safe distancing restrictions are met.	Large groups allowed. Mass gatherings follow proper safety procedures & precautions for monitoring symptoms.
Personal Services	Extreme limitations	Operate under strict hygiene protocols. Service provider & customer must wear face coverings. Meticulous monitoring of symptoms.	Operate under strict hygiene protocols. Service provider & customer must wear face coverings. Meticulous monitoring of symptoms.	Industry open with strict hygiene regimen and symptom monitoring.
Home Repair	Strict hygiene & reduced group interactions. Monitor symptoms of staff.	Strict hygiene & reduced group interactions. Monitor symptoms of staff.	Strict hygiene. Monitor symptoms of staff.	Increased hygiene.
Gyms	Fitness centers & gyms are closed.	Fitness centers & gyms are recommended to be closed. If open, fitness & gyms should follow space & cleaning guidance.	Fitness centers & gyms open with specific space and cleaning supply guidance.	Gyms open with some cleaning supply guidance.
Construction/ Manufacturing	Strict hygiene & reduced group interactions. Monitor symptoms of staff.	Strict hygiene & reduced group interactions. Monitor symptoms of staff.	Strict hygiene. Monitor symptoms of staff.	Increased hygiene.
Day Care	Enhanced cleaning and distancing protocols. No symptomatic children.	Enhanced cleaning and distancing protocols. No symptomatic children.	Enhanced cleaning & distancing protocols. No symptomatic children.	Enhanced cleaning. No symptomatic children.

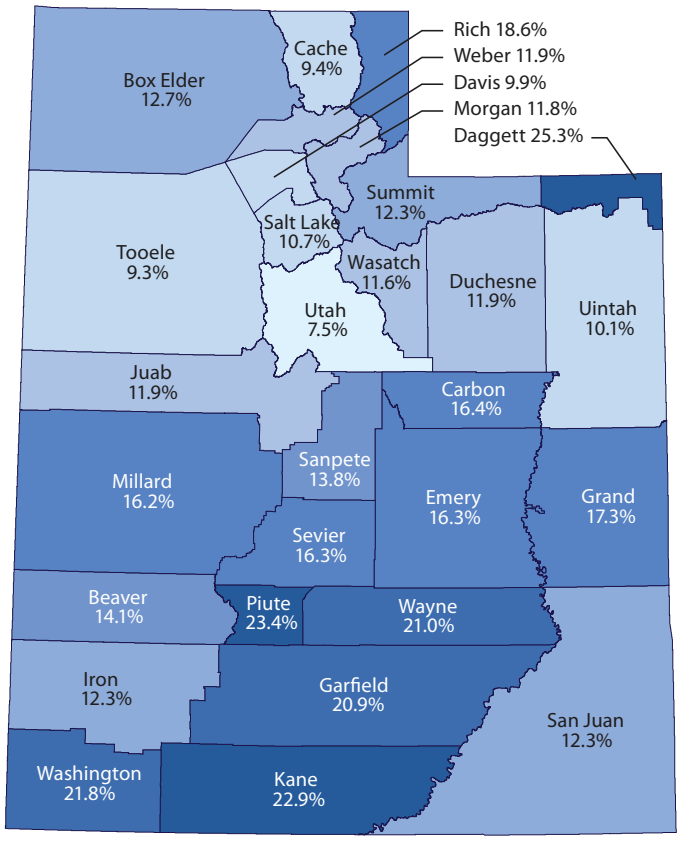
Source: Utah Governor's Office of Management Budget and Utah Department of Health

For detailed industry-specific guidelines, visit coronavirus.utah.gov.

Data Appendix E

Population and Business Characteristics

Percent of Population Aged 65 and Older



State of Utah: 11%

Source: Kem C. Gardner Policy Institute Single-Year of Age and Sex Estimates, 2018 Vintage

Nonfarm Firms, Employment, and Wages by Size, Q1 2019

	Firms		Jobs		Quarterly wages	
Employment range	**Number**	**Percent**	**Number**	**Percent**	**$ Millions**	**Percent**
0	13,002	15.4%	0	0.0%	$54	0.3%
1-4	43,133	51.1%	75,947	4.9%	$998	5.5%
5-9	11,133	13.2%	73,653	4.8%	$768	4.2%
10-19	7,751	9.2%	105,069	6.8%	$1,067	5.9%
20-49	5,387	6.4%	163,697	10.6%	$837	4.6%
50-99	1,901	2.3%	131,143	8.5%	$1,581	8.7%
100-249	1,236	1.5%	185,688	12.0%	$2,398	13.2%
250-499	416	0.5%	145,507	9.4%	$1,951	10.8%
500-999	206	0.2%	142,306	9.2%	$1,911	10.5%
1,000 & Over	167	0.2%	520,480	33.7%	$6,552	36.2%
Total	84,332	100.0%	1,543,492	100.0%	$18,116	100.0%

Notes: The number of firms is a count of employers. If an employer operates at multiple worksites, it is counted as one firm for purposes of this table. 2/ For the firms which had zero employment in March, there were wages paid during the quarter to employees who worked in January and/or February.
Source: Utah Department of Workforce Services

Utah Economic Response Task Force

Governor Gary Herbert, State of Utah
Lt. Governor Spencer Cox, State of Utah
Stuart Adams, President of Utah State Senate
Brad Wilson, Speaker of the House
Derek Miller, Salt Lake Chamber, Economic Task Force Chair
Scott Anderson, Zions Bank
Allyson Bell, Senator Lee's Office and federal delegation liaison
Lori Belnap Pehrson, Northrop Grumman Corporation
Carine Clark, Silicon Slopes
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Brandy Grace, Utah Association of Counties
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Jill Remington Love, Utah Department of Heritage & Arts
Darin Mellott, CBRE
Scott Peterson, Utah Funds of Funds
Jon Pierpont, Department of Workforce Services
Steve Starks, Larry H. Miller Group of Companies
Steve Styler, Rural Partnership Board
Cydni Tetro, Forge DX and Women's Tech Council
Vicki Varela, Utah Office of Tourism
Craig Wagstaff, Dominion Energy
Don Willie, St. George Area Chamber of Commerce

Utah Industry Resource Committee

Association of General Contractors
Associations Solutions
AT&T
Ballard Spahr, LLP
BioUtah
Century Link
Clegg Automotive group
Comcast
Building Owners and Managers Association
Dental Tech Companies
Department of Workforce Services
Essential Oils Industry
Fidelity Investments
Fintech Utah
Funeral Directors Association
Holland and Hart
Impact Utah
Institute of Real Estate Management
Intermountain Healthcare
LHM Group of Companies
Merit Medical
Mountain West Brands
National Federation of Independent Businesses
New Car Dealers of Utah
Outdoor Recreation
Parson Behle & Latimer
Petzl North America
Price Realty Group
Real Estate Management Industry
Regence
RioTinto
Rocky Mountain Power
RV Dealers of Utah
Salt Lake Chamber
Salt Lake County Area Restaurant Association
Savage Industries
Scrap Metal Association
Ski Utah
The American Council of Engineering Companies of Utah
TravelPass Group
UCAIR
Union Pacific Railroad
University of Utah Health
Used Car Dealers of Utah
Utah Advance Materials and Manufacturing Initiative
Utah AFLCIO
Utah Apartment Association
Utah Arts
Utah Asphalt Pavement Association
Utah Association of Certified Public Accountants
Utah Association of Counties
Utah Association of Health Underwriters (UAHU)
Utah Bankers Association
Utah Beauty Schools Owners Association
Utah Beer Wholesalers
Utah Beverage Association
Utah Cable and Telephone Association
Utah Credit Unions
Utah Cultural Alliance
Utah Dental Association
Utah Event Industry
Utah Farm Bureau
Utah Food Industry Association
Utah Food/Retail Association
Utah Gas Station and Convenience Store Retailers (UMPRA)
Utah Home Builders Association
Utah Independent Agents
Utah Independent Agents
Utah League of Cities and Towns
Utah Manufacturers Association
Utah Manufacturing Extension Partnership
Utah Medical Association
Utah Medical Equipment Dealers
Utah Mining Association
Utah Nonprofits Association
Utah Petroleum Association
Utah Pharmacy Association
Utah Podiatric medical Association
Utah Realtors Association
Utah Restaurant Association
Utah Retail Merchants Association
Utah Rural Electric Cooperatives
Utah State Bar
Utah State University, Utah Manufacturing Extension Service
Utah Taxpayers Association
Utah Tourism Association
Utah Trucking Association
Utah's Gas Station and Convenience Store Retailers (UPMRA)
Visit Salt Lake
WCF Insurance
Women's Tech Council
World Trade Center Utah