



Montana Office of Tourism and Business Development

BIG SKY ECONOMIC DEVELOPMENT TRUST FUND

COVID-19 WORKFORCE RECOVERY APPLICATION GUIDELINES

Governor Steve Bullock

Tara Rice, Director

**301 South Park Avenue
P.O. Box 200505
Helena, MT 59620-0505
Phone: (406) 841-2250
Fax: (406) 841-2731**

Website: <http://marketmt.com/BSTF>

A. INTRODUCTION

1. Statement of Purpose

The Big Sky Economic Development Trust Fund (BSTF) program is a state-funded program created by the 2005 Legislature (Section 90-1-202, MCA).

On March 12, 2020, Governor Steve Bullock issued an executive order declaring a state of emergency to exist within the state of Montana related to the communicable disease COVID-19 novel coronavirus. This includes mobilizing all available state resources to help combat the impact of the pandemic.

The BSTF COVID-19 Workforce Recovery Program is designed to help Montana businesses rehire jobs that were lost due to the COVID-19 pandemic. The Department will reimburse Montana businesses based on the growth of jobs up to pre-COVID-19 levels.

2. Program Funding

The Department is designating a portion of the BSTF Job Creation funding pool to create the BSTF COVID-19 Workforce Recovery Program.

3. Program Contact

Big Sky Trust Fund Program
301 South Park Avenue
Helena, MT 59601
Phone: 406-841-2250
Website: <http://www.bstf.mt.gov>

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B. PROGRAM GLOSSARY OF TERMS

High-Poverty County – A county in the state of Montana that has a poverty rate greater than Montana’s average poverty rate as determined by the U. S. Census Bureau estimates for the most current year available. A current map of counties that meet the High-Poverty County definition and are eligible to receive BSTF funding at the higher level may be obtained at the BSTF program web site www.bstf.mt.gov or may be requested from the Department.

Eligible Job – The Department will pay for the growth of full-time jobs up to the pre-COVID-19 levels.

- An eligible job is a full-time, permanent job, meaning a predominantly year-round position requiring an average of 35 hours of work each week.
- The employee must be working and living within the State of Montana.

- The employee in the re-hired jobs must be making at least the Montana minimum wage.
- The business will need to show the growth in employment level up to the number of full-time jobs lost due to COVID-19.
- At the end of the contract period, the number of full-time jobs held for at least six months would be eligible for reimbursement by the program.

Rural Designated Area - Businesses located in the “Rural Designated Area”, as defined by the Department, will receive priority in funding. An interactive map is available on the BSTF website www.bstf.mt.gov.

C. ELIGIBLE APPLICANTS

An eligible applicant to the program is a for-profit business that has a significant presence in Montana and has had to layoff employees and/or reduced the hours of the employee to part-time status due to the impact of COVID-19. The for-profit business must plan to re-establish its pre-COVID-19 full-time, permanent employment level.

The business must be registered and in good standing with the Montana Secretary of State office and/or the Local Tribal Government. Here is the website for the Secretary of State website: <https://sosmt.gov/business/>

Businesses that are currently being assisted through the BSTF Job Creation Grant Program should contact BSTF program staff to verify eligibility that the BSTF program has not already reimbursed on those same jobs.

D. ELIGIBLE USES OF FUNDS

The only eligible expense for reimbursement is wages for the employee in the rehired job.

E. MAXIMUM FUNDING AWARDS AND MATCH REQUIREMENT

The funding level will be determined based on the location of the business’ primary operations and the number of full-time jobs to be rehired up to a maximum of 25 full-time jobs.

Location Determination:

Applicants located in a high poverty county are eligible to apply for up to \$7,500 for each eligible, full-time job rehired and are required to provide a \$1 for \$2 (50%) match.

Applicants not located in a high poverty county are eligible to apply for up to \$5,000 for each eligible, full-time job to be rehired and are required to provide a \$1 for \$1 (100%) match.

Determining the Number of Jobs:

- Employment levels will be set at one-day prior to the application date.
- The business will provide a payroll report (Unemployment Insurance Form – UI-5) as of December 31, 2019; will provide a payroll report as of February 14, 2020 and a current payroll report from the date of the application.

- The award will be based on the difference in the full-time employment levels between February 14, 2020 and the current payroll report.

F. SPECIAL PROVISION

- Clawback - Per the statute, it is the expectation of the Department that any rehired jobs that are reimbursed with BSTF funds must still be retained at the end of the contract period. If the BSTF Program reimburses on a job but the job is terminated prior to the end of the contract, then the business must repay the Department any BSTF funds that were disbursed on that job.

To avoid this situation, the Department is recommending that there be only disbursement (except for requested advancement) at the end of the contract period which is one year or when the jobs have been hired and held for six months. The employee in the job needs to earn sufficient cumulative wages to cover both reimbursement and match.

- Advancement - The business may request up to 10% of the award amount once the contract is executed. However, if they are unable to re-establish the number of jobs to cover the advancement of funds, the business will have to repay the Department the difference between the advancement and the actual number of jobs rehired and maintained for six months.

APPLICATION PROCEDURES

1. The business applies directly to the Department.
2. Application are submitted through the BSTF website www.bstf.mt.gov
3. The application will be accepted on an open cycle until all funds are allocated or until **December 31, 2020**, whichever comes first.
4. Projects located within the Rural Designated Area will receive a higher priority for funding.

DEPARTMENT FOLLOW-UP

- The Department will enter into a contract with the business;
- The business will be required to provide quarterly reports, which would include copies of their Quarterly Unemployment Insurance (UI-5) Form that is submitted to the Montana Department of Labor and a written progress report.
- At the end of the one-year contract period, or earlier if requested by the business, the Department will disburse funds based on the number of full-time jobs held for the required six months and the employee in the job has earned sufficient wages for both reimbursement and match, i.e. \$10,000 in non-high poverty county or \$11,250 in high poverty county. (Jobs paying less than \$9.62/hour may need to hold the job longer than six months to have the employee earn sufficient wages to cover both reimbursement and match).
- In order to draw funds, the business must provide each employee's payroll report for the requested period.
- Since this is a special set-aside program, the Department will not be able to extend any contracts beyond the one-year period.