S TATING THE OBVIOUS, THERE IS NO WAY TO COMPARE OR suggest how this primary election will turn out. We have a first ever (to my recollection) mail in election. Ballots have already been distributed. Nevada’s Secretary of State’s office has done an amazing job in getting ballots prepared and out to the voting public. Now it is up to us to study the Voter Information Sample Ballots, which were previously distributed, follow the mail in instructions carefully, select our candidates, sign the back of the envelope to indicate we have voted, and then return the ballot via U.S. mail.

Voting has become a complicated matter. Learning what the candidates stand for and/or if in the case of incumbent candidates what their voting record might be has largely been determined by TV or mail pieces. These mail pieces are designed by campaign staff and are designed to influence the voter. Think of them as sales promotions. These mail pieces are continuing. Under usual election circumstances many voters also have the candidate receiving over 50 percent plus one of the vote is considered elected and the particular race will not be on the general election ballot. If you have a candidate that you favor in one of these races then you will be able to possibly “move them over the finish line” and know that this race is settled.

This is an extremely important election, not that they all aren’t, but the social and financial costs of this pandemic have strained families and relationships, drained the coffers of state and local governments, and

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As predicted, retail sales were bad in April and lower than in March,” National Retail Federation Chief Economist Jack Kleinhenz said. “This should come as no surprise since April was the first full month when most businesses not considered essential were closed, both in retail and across the economy. But month-to-month comparisons provide little insight other than indicating that most of the economy was on lockdown.

Now that we’re in mid-May, many businesses are already starting to reopen. Relief payments and pent-up demand should provide some degree of post-shutdown rebound, but spending will be far from normal and may be choppy going forward.”

Nationwide retail sales reported a 16.2 percent drop in April, and it’s too soon to know how Nevada fared specifically. At a mid-May meeting of the Interim Finance Committee (IFC), a staffer with the fiscal division of the Legislative Counsel Bureau reported that the deficit in the current fiscal year could reach more than $900 million dollars. That says nothing for the long-term decreases projected for the next fiscal year, which starts July 1, 2020.

Giving credence to those numbers, Governor Sisolak declared Nevada to be in a fiscal emergency, thereby allowing the Board of Examiners to vote to give the Interim Finance Committee access to the state’s $400 million dollar rainy day fund.

It is expected that the IFC will make decisions as to how to allocate those dollars at a later meeting in May, following the same process as was done during the 2009 recession. Simple math tells us that of an expected $900 million dollar deficit in the current fiscal year, lawmakers can cover half of that using the rainy-day fund.

To potentially cover the rest of the deficit, Governor Sisolak wrote a letter to state agencies asking for “potential reductions” to budgets totaling $680 million dollars. “While we must have percentage targets to start this process, we will not just simply make a string percentage cut across the board to our budgets,” Sisolak wrote. “I believe to do so would be a disservice to the citizens of Nevada.” Further budget instructions were sent to state agencies asking for a 4 percent reduction in the current fiscal year and cuts anywhere from 6-14 percent for the next fiscal year.”

It’s too early to know how Nevada has fared specifically, but given our economic activity in our state, there is little reason to assume Nevada has avoided the economic impacts of the rest of the nation and every reason to suspect our numbers could be worse.

RAN is expecting the Nevada Legislature to need to convene in special session before the end of the summer. At that point Nevada tax returns will be in, we will have a better picture of the state’s unemployment numbers (currently above 20 percent), and more information on how much longer the COVID-19 crisis will be here.

We also will have had a few months to see the impacts of relief payments and pent-up demand; however, state lawmakers who want to mitigate the longer-term, permanent effects of this new reality, would do well to make sure small businesses are armed with what they need to generate economic activity and that more hurdles are not added to the current extraordinary cost of doing business, because we’re far from normal.
How We Interact These Days

By Andy Peterson

POWER TOOLS USED TO BRING OUT A SMALL CROWD IN MY neighborhood. Some came out to see what you were doing, others came out to offer advice, and every so often somebody came out to offer help in whatever project was at hand.

Neighborhood projects were opportunities for social interaction. Today it’s different. The pandemic has changed everything. People no longer come out when they hear power tools being operated. It seems the same with so many other activities. Social distancing is the order of the day. People, for the most part, are staying home and remaining safe. Social interaction is less dynamic and more planned.

Some normal activities, as we knew them a few short months ago, may be altered in the short term. These might include shopping, dining out, and how we conduct local political activities as Mary Lau mentioned in her article on page one.

State and national political activities have seemingly already transitioned to electronic formats. However, local politics has always been about relationships. Those running for school board, city council, or county commissions counted on door knocking to meet the voters to get their message out. Now new ways of gaining support will evolve. It is anybody’s guess how or when the new local political methods might be seen. Shopping and dining with social distancing rules, but likely I will soon find out as I venture out to shop. It is hard to remember how casually we all operated prior to the pandemic. Yet, I am sure much of what we will consider normal going forward will soon be cemented. Whether it is shopping, eating out, or politicking you can count one thing: it will have all changed. In some ways that is unfortunate, in other ways it might be good. But like the power tools in my neighborhood I hope that is does not degrade how we interact. We need each other to make our economy work and to make our lives better.

“IT IS HARD TO REMEMBER HOW CASUALLY WE ALL OPERATED PRIOR TO THE PANDEMIC.”

Primary Concerns

Continued from page 1

the requirements for careful thoughtful and futuristic thinking is going to be required. Nevada will need a balanced and cooperative approach. We will have a special legislative session, and possibly two special sessions. This is a time when legislators will need to put personal and social agendas aside and become leaders and fiscal advocates for the citizens of Nevada. Hopefully, the conversations will be inclusive and not just political fodder.

A strong participation in the primary election will let our elected officials know that we are paying attention. Strong participation will also help them focus on our needs and our ability to respond either socially or financially. This pandemic has affected state and local governments so make sure you go “down ballot” as you vote to make your voice heard regarding judges, school board members, and so forth. Remember, this is your opportunity to help determine how Nevada operates in the future.
PHARMACIES ACROSS THE COUNTRY HAVE PLAYED a vital role in these unprecedented times. They have done this by assuring patients that there is access to their medications, and by prioritizing the safety and well-being of the associates and the customers who utilize their stores. Pharmacies have also implemented preventative measures to keep stores clean and maintain a healthy environment.

Many pharmacies have been waiving delivery fees for same-day, and next-day, deliveries to assure access and convenience to medications. Some are waiving copays for COVID-19 testing for insured patients and by waiving early refill limits to support medication adherence.

Nevada is now allowing pharmacies to conduct COVID-19 testing. This is an added convenience for patients in underserved communities and it improves access to testing to many who otherwise might have to travel in order to obtain a test. Some private companies are also considering implementing testing programs that will be provided by pharmacies.

This will allow companies greater ability to safely reopen and remain open during the pandemic.

Pharmacists are one of the many silent heroes on the frontline to fight and conquer the virus which has overwhelmed the county. Without pharmacists, physicians, nurse practitioners, physician assistants, and nurses the patients would not be able to receive live saving medical care. Without pharmacists and their support staff, we likely might not be able to recover as easily from COVID-19, or stay healthy in the first place.

Be sure to thank those working in the pharmacy for what they have done during this epidemic. For more information on what the pharmacies have been doing during the pandemic go to https://www.nacds.org/covid-19/

INTERESTING FACTS ABOUT SUMMER

Summer is the hottest of the four temperate seasons, falling between spring and autumn.

The 1st day of summer 2020 in Northern Hemisphere will be on Saturday, June 20th.

Solstices happen twice a year – in June and December.

The earth’s orbit around the sun has very little effect over the seasons on earth.
THE MGM FIRE. 9/11. HURRICANE KATRINA. ONE OCTOBER. COVID-19. The novel coronavirus is hardly the first disaster that plaintiffs’ lawyers have descended on – but the uniqueness of this public health crisis and the countless industries impacted is spawning a tsunami-like wave of litigation. Negligence, employment and consumer protection cases have started to spike already.

Liability, and the protection afforded to businesses and workers, will be the cornerstone of the debate. And at the forefront of lawmakers’ minds is how economic recovery can begin amid a rush of litigation. This is a particularly inopportune time for a legal wildfire to race out of control, since retailers should be focused on the implementation of Center for Disease Control (CDC) guidelines and strict social-distancing protocols to keep customers safe, while bolstering consumer confidence to spend and patron stores again.

In Nevada, two potential areas of focus for this summer’s anticipated Special Session include the consideration of limiting liability for businesses and exploring possible workers compensation presumptions. As of this writing, Federal lawmakers were already contemplating sweeping liability protection for companies to prevent the avalanche of litigation, though some believe individual states ought to take the lead in their own liability protection legislation.

That point is only underscored when considering how unique Nevada truly is. We are a state known for large gatherings and our economy is built on tourists now mostly too afraid to hop on a plane for a Vegas getaway. Economist after economist continue to rank Nevada as one of the most economically vulnerable state in the nation. The typically bustling and 24/7-nature of the Las Vegas Strip, now a literal ghost town, only drives the painful point home.

As more businesses reopen and people begin to retreat less, the litigation is sure to mount, and policymakers will be tasked with protecting its citizens and businesses facing extraordinary financial hardship. Retailers are already teaming up with their lobbyists to build a strategy to protect against what is to come.

Allegations of an inadequate response to the COVID-19 pandemic could play out in a host of factual scenarios as infected individuals and their families cast blame for contracting the virus. Cruise liners took the early hit, as lawsuits against cruise lines for alleging failure to protect its employees were some of the first filed during the pandemic. Pilots also sued the airlines petitioning that service to China should temporarily cease in the interest of passenger and employee safety. These industry-specific lawsuits are likely to continue and expand – and retailers will not be left unscathed.

Positive cases of COVID-19 have been reported nationwide among employees at Walmart, Amazon, Target, Kroger and Costco, including several cases at southern Nevada stores. In Chicago, the family of a Walmart worker who died of complications from coronavirus is suing the retailer, alleging that Walmart failed to take adequate measures to protect the worker from contracting the virus.

These are just some of the first lawsuits in what is expected to be a steady stream of litigation – and the prospect of negligence litigation is particularly cause for concern for those retailers that remained open during the crisis. It is equally as
MEAT STILL AVAILABLE IN CLARK COUNTY

At the time of publication meat was still available in Clark County. This as meat has been scarce in other parts of the country due to packing plants closures. “It’s been normal for what this is,” said Robert Schiller, a manager at the Walmart Neighborhood Market at Charleston Boulevard and Torrey Pines Drive. “Nothing new really has changed for us, no real shortages.”

More than 4,900 workers at meat and poultry plants have been sickened with Covid-19. Up to twenty plants have been shuttered or had their production curtailed. The illnesses occurred among 130,000 workers at 115 plants in 19 states according to the Center for Disease Control.

IN CLARK COUNTY

MEAT STILL AVAILABLE

A NEW STUDY

Renown Health and the UNR School of Medicine are leading a new, local study to better understand how the body’s immune system responds to COVID-19.

Individuals who have recovered are encouraged to participate and help those fighting the infection by donating plasma. Convalescent plasma is a component of the blood that may contain precious COVID-10 antibodies that help fight the infection. Confirmed COVID-19 patients who have recovered should contact the Project Coordinators at the Renown Research Office (775.982.3646) or e-mail: covidplasmascreening@renown.org.

FISCAL STATE OF EMERGENCY

Governor Steve Sisolak declared a state “fiscal emergency,” the first step in allowing officials to tap into a $400 million budget reserve, known as the Rainy Day Fund.

Lawmakers set the stage for the fiscal emergency after scheduling an item on the Interim Finance Committee’s agenda to be considered. Governor Steve Sisolak said in a statement, “With the closure of Nevada businesses, including the gaming industry, that was necessary to protect the health of Nevadans, the drop in revenue is not unexpected and it is significant. While we appreciate the additional assistance from the federal government to help address the immediate funding needs for the public crisis, the state is now in a position where (we) will be forced to make very difficult decisions.”

State fiscal analysts estimate revenue shortfall to be between $741-million and $911-million for the fiscal year ending on June 30. That amount is estimated to be almost a fifth of the state’s 2020 budget, set for $4.5-billion.

WESTERN STATES PACT LETTER TO CONGRESS

Governor Sisolak joined other members of the Western States Pact in sending a letter requesting Congress provide $1 trillion in relief to state and local governments.

The letter, addressed to House Speaker Nancy Pelosi (D), Senate Majority Leader Mitch McConnell (R), House Minority Leader Kevin McCarthy (R) and Senate Minority Leader Chuck Schumer (D) acknowledges the financial assistance previously provided to workers and small businesses, but makes the argument that those individuals will take further cuts if additional relief efforts are not made.

The letter suggests the additional aid would preserve core government services like public health, public safety, public education and help people get back to work. Nevada Senate Majority Leader Nicole Cannizzaro and Speaker of the Nevada State Assembly Jason Frierson co-signed the letter.

DIRECTIVE 019

Governor Sisolak signed an emergency directive that will allow the state Department of Employment, Training and Rehabilitation (DETR) to hire additional staff to help process Nevada’s backlog of unemployment insurance claims.

The directive will allow DETR to hire temporary staff on a contract basis and waives the merit-based qualification in an effort to fill positions quickly. The emergency flexibility will be applicable through December 31, 2020.

NEW OSHA GUIDELINES

The Nevada Occupational Safety & Health Administration (OSHA) released new guidelines in accordance with Governor Sisolak’s Phase 1 directive. Recommendations and requirements for essential and non-essential businesses opened during Phase 1 are as follows:

• All employees must provide face coverings for employees assigned to serving the public and shall require these employees to wear the face coverings (Required)

• Prohibit gatherings of 10 or more people (Required)

• Promote frequent and thorough hand washing, including providing worker, customers and worksite visitors with a place to wash their hands. If soap and running water are not available provide alcohol-based hand rub (Required)

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CRISIS FORCES CREATIVITY

Those wanting a return to normal are not likely to get it anytime soon. New economic realities are shaping the future of retailers, and retailing. Creativity is the order of the day and solving problems in new ways means changing one’s perspective. Three months ago we would not have imagined sneeze guards at cash registers, limited entry into stores, or one way isles to limit social interaction. Retail is changed for both retailer and consumer.

More certain is that more creativity is needed moving forward. Fortunately, lessons have been learned in a few short months. While innovation has been front and center, retailers will rely upon recent developments to succeed as the new normal becomes the normal we all know.

Super Market News

THE NUMBERS AREN’T PRETTY

March industrial production had the largest monthly decline since January 1946. Other points worth mentioning include:

- Manufacturing production fell sharply by 6.3% in March as firms grappled with the COVID-19 outbreak, including closures, reduced activity and significant supply and demand disruptions globally. Durable and non-durable goods production decreased 9.1% and 3.2% in March, respectively, with all 19 major sectors experiencing declines (see the graphic below).
  - On a year-over-year basis, manufacturing production has declined 6.6%. Manufacturing capacity utilization plummeted from 75.0% in February to 70.3% in March, the lowest rate since May 2010. Meanwhile, total industrial production decreased 5.4% in March, the largest monthly decline since January 1946.
  - The current outlook is for production in the sector to decline 12% between February and May before starting to rebound in June and beyond. However, the economic damage will take some time for manufacturing to fully recover from, with production down 6.5% in 2020.
  - The New York and Philadelphia Federal Reserve Banks reported sharply reduced activity in their districts in April, with more than 70% of respondents in both reports noting decreased orders for the month. With that said, respondents in both reports felt cautiously optimistic for a rebound over the next six months.
  - With Americans under stay-at-home orders nationwide, retail sales plummeted 8.7% in March, the largest monthly decline since the series began in 1992. The extent of the decline in retail spending in March was mind-blowing, particularly in some sectors (see more details below), but there were also some bright spots. Over the past 12 months, retail spending has declined 6.2%, but with motor vehicles and gasoline station sales excluded, retail sales eked out a 0.2% year-over-year gain.

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COVID-19 Liability

Continued from page 5

unsettling for those gearing up to reopen safely. Potential claims may include customer allegations that they contracted COVID-19 from a business and the business knew or should have known about the risk, that the business did not adequately warn customers of potential coronavirus exposure or the business premises were not properly cleaned. Clear signage, strict sanitization procedures and robust employee education will all be part of retailers’ new normal.’

These extraordinary precautions come at a cost. Some grocery stores, for example, have reported throwing away thousands of dollars of product after it was believed that a sick customer may have contaminated the lot, not to mention the substantial investments in cleaning supplies and personal protective equipment (PPE) for employees and customers.

Governors and state legislatures around the country have begun instituting workers’ compensation presumptions, which may deepen ongoing liability risks for businesses. Illinois is just one example, where the workers’ compensation commission there recently implemented a presumption that employees working in essential industries infected with COVID-19 contracted the virus from their workplace.

Plaintiffs’ lawyers are likely to take advantage of the favorable presumption, making essential businesses a particularly acute target. Furthermore, any apparent lack of employee training in proper use of PPE, shortages of PPE or inadequate sanitary practices are potential breeding grounds for workers’ compensation suits and retailers should be vigilant to the extent practicable.

As of this writing, Nevada lawmakers have not given any indication that a presumption such as the one in Illinois is coming nor has legislative leadership committed to what limiting liability for Nevada businesses would look like – or that it will even happen. What is certain is the state’s gaping economic crater, as fiscal analysts estimate revenue shortfalls to land somewhere from $741 million to $911 million for the fiscal year ending June 30. The hole accounts for nearly a fifth of Nevada’s entire 2020 budget. Governor Steve Sisolak has promised “difficult decisions” are coming and common wisdom is that all options will be on the table.

Most state action to date has been aimed at protecting public health. Notably, the state’s next steps will touch the economic health of Nevada’s public and private sectors. If businesses are exposed to a heightened litigation risk, Nevada’s economic rebound looks all the more daunting.

Nevada Notes

Continued from page 6

Provide face coverings for employees assigned to serving the public and shall require these employees to wear the face coverings (Required)

- Conduct daily surveys of changes to staff/labor health conditions (Required)
- Ensure that any identified first responders in the labor force are provided and use the needed Personal Protective Equipment (PPE) (Required)
- Provide access to portable and sanitary water (Required)

The guidance further lays out recommendations for social distancing while on the job as well as during breaks.

Las Vegas Property

PLAN TO REOPEN

The Las Vegas Sands is planning to reopen its southern Nevada properties, The Venetian and Palazzo, sometime in June and will continue to pay staff members and offer benefits until that time. The company began offering COVID-19 testing to all staff and immediate household members 13 and older with the full cost of testing to be paid by the Sands. The casino operator is offering two types of tests: one to determine whether a staff member currently has COVID-19 and another that looks for COVID-19 antibodies to tell if an individual has already had the virus. All Sands staff members will be required to take the first test, while the second is voluntary.
Since Nevada became a state in 1864, the Nevada constitution has mandated the election of judges. All judges serve six-year terms. While elections for justices of the seven-justice Nevada Supreme Court and the three-judge Court of Appeals are staggered, the terms of all district court judges in Nevada are synchronized, and 2020 is the year in which Nevada voters will see their district court judicial candidates on the ballot.

Statewide, 179 district court candidates have filed for office. Voters in Clark County will be presented with 121 candidates for 58 departments, while voters in Washoe County will be presented with 20 candidates for 16 departments.

In Clark County, 19 of the departments do not have an incumbent as a candidate, either because the incumbent did not run or because the department is newly created. Judicial candidates are better known in smaller communities and consequently judicial elections work well.

In larger counties, the sheer volume of candidates can be overwhelming for voters.

Consider some of these facts. In 1952, there were 101,248 registered voters and eleven district court judges in the entire state. As of February 2020, there are 1,314,101 registered voters just in Clark County, selecting 58 district court judges. The judicial ballot is getting very big in Nevada’s more populated counties.

Nevada voters have previously rejected efforts to reform judicial elections by moving to judicial appointments with retention elections.

As recently as 2019, the Nevada Legislature failed to advance proposals to move towards the appointment of judges. Proponents of judicial election reform point to the outsize influence of money in judicial campaigns. Judicial candidates often must solicit campaign funds from the very lawyers who will argue cases in their court. Perhaps more importantly, money flows to independent expenditure efforts that can receive and spend unlimited amounts to influence judicial elections. Regardless, judicial elections are part of the electoral landscape in Nevada for 2020. Keeping track of qualified judicial candidates is a difficult task, even for lawyers who regularly appear in the district courts.

On top of the sheer volume of candidates, judicial candidates are nonpartisan and cannot make any kind of commitment as to how they might rule on issues if elected to office. As a result, most voters are often left with only minimal information when deciding who to select to these important positions.

The Las-Vegas Review Journal surveys practicing attorneys on sitting judges in the year before judicial elections, and the Washoe County Bar Association does something similar. While these surveys can provide some useful trends and information, they are also subject to criticism as “popularity contests” among lawyers.

Further, the surveys are only applicable to sitting judges, and there are no comparable surveys of judicial candidates who might be challenging an incumbent or running for an open seat.

Business associations like RAN help play an important role in judicial elections by reviewing judicial candidates and providing information to membership to help navigate the judicial ballot, particularly in large counties where the number of candidates makes it challenging to obtain even basic information about the qualifications of individual candidates.

As the primary and general elections get closer, look for additional information from RAN on the state of play in judicial races.
Important Information for SIG Members

NRS requires all existing members of a self-insured group to be notified of all new members.

NRNSIG new members are listed below.

J&S Rock Solid LLC dba Armorcoat
ProfiHunt USA, Inc

NRNSIG members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

If you have a newsworthy item please forward it to andy@rannv.org.
RAN reserves the right to edit for space.

JUST FOR FUN:

Did you know 11% of people are left handed?
Did you know August has the highest percentage of births?
Did you know unless food is mixed with saliva you can’t taste it?
Did you know the average person falls asleep in 7 minutes?
Did you know a bear has 42 teeth?
Did you know an ostrich’s eye is bigger than its brain?
Did you know lemons contain more sugar than strawberries?
Did you know 8% of people have an extra rib?
National Notes  Continued from page 7

MOST GROCERY SHOPPERS STILL SHOP IN STORES
A new poll, Harris Interactive/Toluna, April 2020, found most consumers still shopped in stores and were willing to pay more for their favorite brands. Of the 1,047 polled, 70 percent said they still visited the store to get groceries. Top purchases included frozen food (65 percent), cleaning products (56 percent), and toilet paper (53 percent) were top items shoppers sought out or bought.

In the initial stages of the pandemic private labels, however, the trend reversed itself during the quarter. These trends were attributed to panic buying as the realities of the pandemic set in with consumers. Big retailers, club, and dollar stores showed the strongest growth in store brands. Product availability trumped brand loyalty.

APRIL ONLINE GROCERY REACHES NEW LEVELS
April saw record highs for online grocery sales as pandemic realities set in for consumers. Sixty-two million people, up from forty million, spent $5.3 billion on delivery and pickup orders.

This according to data released by Brick Meets Click and Symphony RetailAI. Increased online grocery shopping is due to consumer beliefs that stores may be a place to come in contact with the Covid-19 virus. Questions remain if online sales will remain at the same or higher levels once the pandemic subsides.

INDEPENDENT GROCERS MEET PANDEMIC CHALLENGE
The pandemic challenge has brought out the best from independent grocers. Independents have quickly responded to social distancing and changing consumer habits. Some have quickly ramped up delivery as they have not had to navigate layers of corporate approval. In addition, independent grocers have benefited from being local, and being trusted by the communities in which they operate. Some have spearheaded food giveaways and so forth. Further into the future independents will benefit from advances in AI and other innovations.

COVID-19 MAKES LOCAL REAL
When local neighborhood shops close, as a result of the pandemic for instance, reality hits for many people. This phenomenon is getting a big boost nowadays and people are reminded of the role of local stores and restaurants.

It is interesting to note the Buy Local movement is a getting boost as a result of the lockdown.

Josh Levinson, the owner of Charm City Run, which has seven Maryland stores, believes that busy shoppers would often “choose the easiest path” prior to the coronavirus outbreak, and that could mean turning to other options other than local retailers. He doesn’t think that consumers will take local commerce for granted after seeing COVID-19’s impact on their communities.

“Everyone likes a local business and wants local businesses to survive,” said Mr. Levinson. “They inherently believe they are important to a community and give a community character.”

Unfortunately, there is bound to be closures but it is interesting to see the level of interest.

A recent survey by the James Beard Foundation suggests as many as one in five local restaurants will not be able to sustain operations.

Another survey from Ernst & Young found that 34 percent of people indicate they would pay more for local products.
NRF Chief Economist Says Recovery Likely to Come in Fits and Starts

With some stores starting to reopen as governors lift stay-at-home orders across the country, economic recovery from the coronavirus pandemic is likely to come gradually and may vary by location. This according to National Retail Federation Chief Economist Jack Kleinhenz.

“Getting back to work or shopping in a pre-virus manner is difficult to predict at this time, with households likely to tiptoe back in rather than making an immediate return to the lives they experienced before,” Kleinhenz said. “My overall impression is that the recovery will have fits and starts among states, regions and cities depending on the severity of the pandemic in their localities.”

After seeing growth at an annualized rate of 2.1 percent at the end of 2019, U.S. gross domestic product shrank 4.8 percent in the first quarter of this year, ending a record 10-year period of economic expansion. That was the largest drop since 8.4 percent in the fourth quarter of 2008 during the Great Recession.

Retail sales saw their worst month-over-month drop on record in March, falling 8.7 percent from February. And consumer spending fell an annualized 7.6 percent during the first quarter, the largest drop since the second quarter of 1980. Despite those declines, the pandemic has hit the retail industry unevenly. Temporarily closed stores are bearing the brunt of the impact while stores that remain open have had customers lined up out the door to stock up on essential goods.

Consumer confidence has also taken a hit. But consumers’ expectations for conditions six months in the future were more optimistic. ■

NRF Press Release