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Coronavirus Pandemic

COVID-19 Pandemic

Paycheck Protection Program

New Rules, New Forgiveness Applications, New Questions

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Recent Actions and Publications.

- SBA New Forgiveness Application and Regulation.
- New Restrictions on Testing Employees.
- New Guidance on Reopening.
- Potential Legislation.

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SBA New Forgiveness Application.

- SBA New Forgiveness Application.
 - Revised Full Forgiveness Application.
 - Shorter and incorporate the changes in PPP Flexibility Act.
 - [Click here to view the EZ Forgiveness Application.](#)
 - EZ Forgiveness Application.
 - Simpler, fewer calculations and less documentation.
 - [Click here to view the Full Forgiveness Application.](#)
- More info go to WFCA update
 - [The Small Business Administration Issues New Rules and Forms on PPP Loan Forgiveness.](#)



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SBA New Forgiveness Application.

- EZ Forgiveness Application.
 - Self-employed with no employees;
Or
 - Did not reduce FTEs or pay by more 25%,
Or
 - Could not because of safety orders by:
 - Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, BUT
 - Not State shelter in place orders.



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SBA New Forgiveness Application.

- Safe Harbor on FTEs and Salaries.
 - Restored FTEs by Dec. 31, 2020 as had Feb. 15, 2020, and
 - Pay not cut by more than 25% by Dec. 31, 2020 as paid Feb. 15, 2020.
- Applies as of date of forgiveness application up to Dec. 31, 2020.

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SBA New Forgiveness Application.

- Calculating FTEs and Salaries.
 - Total hours worked per week divided by 40, and
 - Add in non-hourly employees.
- How to calculate first 4 days—Jan. 1 (Wednesday) to Jan.4 (Saturday)?
 - No guidance.
 - Start Jan, 5 or next full pay period?
 - Each pay week paid between Jan. 1 to Feb.29?
 - Proportion first 4 days?



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SBA New Forgiveness Application.

- Limits on owner-employees.
 - Cap on what can pay owner-employee:
 - \$15,385 for 8-week covered period, or
 - \$20,833 for 24-week covered period.
 - Cannot add on:
 - Benefits for owners, (health care expenses and retirement contributions), and
 - State taxes (usually unemployment tax).



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SBA New Forgiveness Application.

- Who is “Owner-Employee”?
 - Files Schedule C,
 - Partnerships, and
 - Sole Proprietors.
 - Unclear as to:
 - LLCs,
 - Subchapter S corps., and
 - C corps.



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SBA New Forgiveness Application.

- Enhanced Transparency
 - PPP loans over \$150,000
 - Will disclose:
 - Business names, addresses, NAICS codes, zip codes, business type, demographic data, and
 - Amount of Loan in ranges:
 - \$150,000-350,000
 - \$350,000-1 million
 - \$1-2 million
 - \$2-5 million
 - \$5-10 million

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New Restrictions on Testing Employees.

- Can test employees to determine if *currently* are infected.
- BUT cannot test employees for COVID-19 antibodies.
 - Violates ADA.
 - Not job related.
- No obligation to accommodate risk to employee's family members.
- EEOC suggested information to provide employees.
 - [What You Should Know About COVID-19 and the ADA, the Rehabilitation Act, and other EEOC Laws.](#)



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New Restrictions on Testing Employees..

- Be careful not to discriminate.
 - Age,
 - Gender, or
 - Disability.
- WFCA Website has updates.
 - [Bring Employees Back to Work: Be Careful Not to Discriminate](#)
 - [Reopening Safely - A Practical Guide](#)
 - [Opening Back Up - CDC Workplace Decision Tree](#)

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New Guidance on Reopening.

- The OSHA Guidance:
 - [Guidance on Returning to Work](#), which provides an update on the opening of non-essential businesses.
 - [Guidance on Preparing Workplaces for COVID-19](#), which provides general workplace principles to slow the spread of the coronavirus.
 - [Guidance for Stockroom and Loading Dock Workers](#), which provides “tips” for reducing the exposure to Covid-10 by stockroom workers.
 - [Guidance on Social Distancing at Work](#), which provides a checklist for social distancing at work.
 - [Construction Work](#), which identifies the risk factors and steps to take to limit exposure to COVID-19 for construction sites.

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New Guidance on Reopening.

- The OSHA Guidance:
 - Provide suggestions, not enforceable rules.
 - Regularly updated.
 - Also provides posters on:
 - Handwashing hands,
 - Respirators use and maintenance, and
 - Ten Steps All Workplaces Can Take.
 - Go to [OSHA Coronavirus Webpage](#) for updates and posters.
 - *Massey v. McDonald's Corp.*—failed to train on social distancing.

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Potential Legislation and Regulations.

- Pandemic Risk Insurance Act.
 - Fed. Funding.
 - Cover business interruption.
 - As of Jan. 1, 2021.
- Liability immunity.
 - State legislation.
 - Iowa, North Carolina, Oklahoma, Utah, and Wyoming
 - Federal proposal.
 - WFCAs Update—
[Liability Waivers to Protect Against COVID-19 Claims.](#)



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Potential Legislation and Regulations.

- New Funding:
 - PPP—\$100 billion remain.
 - New PPP loans.
 - Low Cost Capital Loans.
 - Grants on fixed costs.
 - Retail Relief Fund.
 - Additional Stimulus Checks.



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Potential Legislation and Regulations.

- Tax Relief:
 - Credits to return or retain employees.
 - Credit for PPE and other safety equipment.
 - Credit for training and retraining employees.
 - Payroll Tax Holiday.
 - Tax Reform.