Coronavirus Pandemic

A Weekly Update
Requirements and Opportunities

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Grants and Loans

- **Coronavirus Aid, Relief, and Economic Security (CARES) Act**
  Three main provisions for Small Businesses.
  - Forgivable Small Business Act (SBA) “Payroll Protection Program (PPP) loans
  - Employment Retention Tax Credit
  - Emergency SBA loans and grant

- **Other Programs**
  - **SBA Express Bridge Loan Pilot Program** allows small businesses who currently have a business relationship with an SBA Express Lender to access up to $25,000 with less paperwork.
  - **SBA Government Contracting**: SBA is focused on assisting with the continuity of operations for small business contracting programs and small businesses with federal contracts.
  - **SBA Access to Capital** provides a number of loan resources for small businesses to utilize when operating their business.
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Grants and Loans

• Local Programs
  • States
    • Arkansas Quick Action Loan Guaranty Program
    • California Disaster Relief Loan Guarantee Program—COVID-19
    • Connecticut Recovery Bridge Loan Program
    • Florida Small Business Emergency Bridge Loan Program
    • Massachusetts Small Business Recovery Loan
    • Washington Small Business Emergency Grant program
    • Texas for minority and women owned businesses
  • Multiple cities and counties
    • Contact Governor’s office
  • Increased Access to Retirement Accounts
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Families First Coronavirus Response Act

• With removal or easing of shelter in place orders
  • Required paid sick and family leave still applies
  • Through June 30, 2020
• Two Weeks of Paid Sick leave
  IF unable to work AND have work for employee
  • Dr.’s Orders (100% up to $511/day)
  • Sick (100% up to $511/day)
  • Caring for sick (2/3rd up to $200)
  • Caring for children because no school or daycare (2/3rd up to $200)
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Families First Coronavirus Response Act

- 12 Weeks of Paid Family leave
  - If caring for child because school or child care closed.
  - 2 weeks without pay
  - 10 weeks at 2/3rd pf pay up to $200
- Exemption possible if under 50 employees
  - Self determined
  - DOL “should document” need
- Be careful:
  - Interpretation that must have work is being challenged
- **DO NOT TO DISCRIMINATE**
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Unemployment Benefits

- CARES Act
  - Pandemic Unemployment Assistance (PUA)
    - Expands coverage
    - For self-employed, independent contractors and others not normally eligible
  - Federal Pandemic Unemployment Compensation (FPUC) program
    - And extra $600
    - extra 13 weeks of state benefits
- State run
- Bottom line—Apply
  - [https://www.dol.gov/coronavirus/unemployment-insurance#find-state-unemployment-insurance-contacts](https://www.dol.gov/coronavirus/unemployment-insurance#find-state-unemployment-insurance-contacts)
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Legislative and Regulatory Actions

• New aid package
  • Stalled over medical aid
  • Likely to add $250 billion to PPP loans
  • Early May??
• Business Interruption Insurance
  • State Legislation
    • Joint WFCA’s grassroots campaign
  • Federal Legislation-- Pandemic Risk Reinsurance Program
• Class Action Lawsuits
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Business Obligations

- Line of Credit and Other Loans
  - Notice of material change
  - Covenants
  - Fed. Regulations
    - Can restructure
    - 30 days late still current
  - Time to review

- Contracts
  - Force majeure clauses
  - Common law doctrines of impossibility, frustration of purpose, and impracticability

- Insurance Renewals
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Obligations to Employees

- COBRA
  - 20 or more employees
  - Notice and opportunity to continue
  - 18 months
  - Employee pays 102%

- State COBRA
  - Fewer employees
  - Shorter time
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Obligations to Employees

• Advance notice of reduced pay
  • No federal law
  • A number of states, the District of Columbia, and several localities require

• Exempt Employees
  • Salary not dependent on hours worked
  • Minimum wage of $47,476 ($913 per week)