

Coronavirus Pandemic

A Weekly Update Requirements and Opportunities

Jeffrey W. King
JKing & Associates, PLLC
■ Florida ■ Washington, D.C.



Coronavirus Pandemic

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 minimal paperwork.
- [SBA Government Contracting](#): SBA is focused on assisting with the continuity of operations for small business contracting programs and small businesses with existing contracts.
- [SBA Access to Capital](#) provides a number of loan resources for small businesses to utilize when operating their business.



Coronavirus Pandemic

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
 - <https://www.zenefits.com/workest/the-big-list-of-covid-19-financial-assistance-programs-for-small-businesses-by-state/>
 - Contact Governor's office
- Increased Access to Retirement Accounts



Coronavirus Pandemic

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)

Coronavirus Pandemic

amilies 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**

Coronavirus Pandemic

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>

Coronavirus Pandemic

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

Coronavirus Pandemic

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

Coronavirus Pandemic

Obligations to Employees

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

Coronavirus Pandemic

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)