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Time sensitive alerts and updates on Payroll, Tax, HR Compliance, and more

COVID-19: Critical Resources for Employers



Disaster Loans for Business Impacted by COVID-19

The U.S. Small Business Administration is offering low-interest federal disaster loans for working capital to small businesses in designated states and territories that are suffering substantial economic injury as a result of the Coronavirus (COVID-19). As of today, certain counties in the following states are eligible for federal disaster loans: **Arizona, California, Colorado, Connecticut, District of Columbia, Idaho, Maine, Maryland, Massachusetts,**

Montana, Nevada, New Hampshire, New Mexico, New York, North Dakota, Oregon, Rhode Island, Texas, Utah, Virginia, Washington and Wyoming.

Please see <https://www.sba.gov/disaster-assistance/coronavirus-covid-19> for instructions on applying for relief.

- Loan amount of up to \$2,000,000 per borrower
- Carry an interest rate of 3.75% (2.75% for non-profit organizations)
- Payable over a term of up to 30 years
- Proceeds of the loan may be used to pay existing fixed debt, employee payroll, accounts payable and other expenses of operation

States and municipalities may also have additional resources available to business owners. **Florida** businesses, for example, can access disaster relief loans at <https://floridadisasterloan.org/> and businesses located in **New York City** should review <https://www1.nyc.gov/site/sbs/businesses/covid19-business-financial-assistance.page>.

Paid Leave Developments

COVID-19 is impacting businesses across industries, sizes and locations. There are numerous developments in federal, state and local leave laws impacting employers.

Just yesterday, the federal government passed the Families First Coronavirus Response Act, extending paid family leave and sick leave benefits to employees out of work because of COVID-19. These provisions sunset on December 31, 2020. Details can be found at

<https://www.jacksonlewis.com/publication/new-employer-obligations-under-slightly-revised-families-first-coronavirus-act-hr-6201>.



- **Emergency Family and Medical Leave Act:** private employers with fewer than 500 employees, and covered public-sector employers, must provide up to 12 weeks of job-protected FMLA leave where a covered employee is unable to work (or telework) due to a need to care for a minor child if the child's school or place of child care has been closed due to a public health emergency. Portions of the leave can be unpaid, and the remainder are paid at 2/3 the employee's normal rate. Pay

is capped at \$200 per day and \$10,000 in the aggregate. There is an exclusion for healthcare providers, first responders, and businesses with less than 50 employees if providing leave “would jeopardize the viability of their business.”

- **Emergency Paid Sick Leave:** private employers with fewer than 500 employees, and covered public employers, must provide paid sick time up to 80 hours (less for part timers) to a covered employee who is unable to work (or telework) for six specifically-delineated reasons, including mandatory quarantine, self-quarantine advised by a doctor, seeking a medical diagnosis for symptoms of COVID-19, caring for a family member who is quarantined, or caring for a child whose school/daycare is closed due to COVID-19 precautions. Sick leave is limited to \$511 per day (\$5,110 in the aggregate) when due to an employee’s own illness or quarantine; and \$200 per day (\$2,000 in the aggregate) when leave is taken for reasons related to care for others or school closures. There is the same exclusion for healthcare providers and first responders, and businesses with less than 50 employees if providing leave “would jeopardize the viability of their business.” Failure to pay sick leave is treated like a violation of the FLSA.
- **Tax Credits:** there are refundable tax credits for employers that are required to offer emergency FMLA or paid sick leave under the bill.

Below are additional links to information about a few state measures to extend paid leave to employees affected by COVID-19.

[California Disability Insurance Elimination Period Waived \(Enacted\)](#)

[Colorado Temporary Paid Sick Leave Rule \(Enacted\)](#)

[New Jersey COVID-19 Expansion of Employee Leave Benefits \(Proposed\)](#)

[New York Paid Sick Leave Bill \(Enacted\)](#)

[Rhode Island Expansion of Temporary Disability Insurance and Temporary Caregiver Insurance](#)

IRS – Updates for Taxpayers (Businesses and Individuals)

The IRS has established a special section focused on steps to help taxpayers, businesses and others affected by the coronavirus which can be found at <https://www.irs.gov/coronavirus>. Currently, the IRS has published resources regarding coverage of coronavirus costs under high-deductible health plans. This page will be updated with additional tax relief developments.



Unemployment Relief

As you may be aware, the federal government is working on legislation to provide funding to stabilize the state unemployment insurance process in light of the expected influx of unemployment claims. States are also taking steps to strengthen and streamline the claims process. Two states in particular, **Pennsylvania** and **South Carolina**, have indicated unemployment insurance benefits will not be charged to the employer when the separation is due to COVID-19. We expect to see more activity at the state level in the days and weeks ahead, but key considerations include:

- In all states, displaced employees (employees whose employment has been negatively impacted by work slowdown or stoppage due to the COVID-19 virus) may file for unemployment immediately.
- Not all states have issued specific guidance, but to the extent possible, employee separations due to COVID-19 should be identified as a “disaster related” layoff, furlough or work hours reduction due to COVID-19.
- Employees can apply for unemployment benefits online. For the protection of employees and customers, most states have temporarily closed their career centers.
- The following links contain helpful state-by-state guidance:

Comprehensive Coronavirus FAQ for Employers

The law firm Fisher Phillips has assembled a cross-disciplinary taskforce of attorneys to address the many employment-related issues facing employers related to COVID-19 coronavirus. The COVID-19 Taskforce has created a Frequently Asked Questions (FAQ) page answering questions on a variety of critical topics for employers, including workplace safety, travel, remote work, benefits, wage and hour issues, employee leaves and accommodations, business closures and workers' compensation. The FAQ is being updated frequently and can be found at <https://www.fisherphillips.com/resources-alerts-comprehensive-faqs-for-employers-on-the-covid#L4>.



Health Insurance Carriers Offer Resources and Information

The health and well-being of employees is of paramount concern. If you have questions about employee health benefits, below are links to information published by our major carrier partners. These sites address a variety of topics, including telemedicine options, co-pays for testing, and contact information for discussing specific coverage questions.

Resources and Information

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