

COVID-19 Federal Government Resources for Small Businesses and Individuals

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Resources for Businesses

Small Business Administration Loans

- The SBA works directly with Governors to provide targeted, low-interest loans to small businesses and non-profits that have been severely impacted by the Coronavirus (COVID-19). The SBA's Economic Injury Disaster Loan (EIDL) program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- The process by which a state becomes eligible for SBA disaster loan assistance is through a Governor's request and formal certification of business impact. SBA Field Operations staff and state Emergency Management divisions work through this process together to support the official disaster declaration request.
 - When a request is submitted and approved, SBA public information officers and District Office staff work with the state to announce the opportunity. SBA will then post a link on their website for small businesses to apply for economic injury disaster loans (EIDL).
 - As of March 17, New York has applied for a disaster designation for all counties impacting the 23rd Congressional District and is awaiting approval. 3 New York counties have been designated disaster areas (Dutchess, Putnam, and Westchester) as contiguous to Connecticut.
- Resources:
 - Covid-19 dedicated SBA webpage: <https://www.sba.gov/page/guidance-businesses-employers-plan-respond-coronavirus-disease-2019-covid-19>
 - SBA Disaster Loan webpage: <https://disasterloan.sba.gov/ela/>
 - Small Businesses Development Centers: <https://www.sba.gov/local-assistance/find/?type=Small%20Business%20Development%20Center&pageNumber=1>
 - SBA Size Standards: <https://www.sba.gov/size-standards/>

Internal Revenue Service/Department of Treasury

- 90 day deferral for tax payments, up to \$1 million for individuals and \$10 million for corporations, with no interest and no penalties.
 - IRS Notice: <https://www.irs.gov/pub/irs-drop/n-20-17.pdf>
- On March 17, the IRS also alerted its employees that effective immediately, the IRS will stop some enforcement actions, including certain levies and collection notices, until further notice.
- Covid-19 dedicated IRS webpage: <https://www.irs.gov/coronavirus>

Resources for Individuals

Unemployment Benefits

- After the President's emergency declaration, the Department of Labor (DOL) announced new guidance stating that workers temporarily quarantined or unable to work due to the coronavirus can be eligible for unemployment benefits. States now have more flexibility, and can pay benefits when workers are quarantined, or when they leave their jobs due to a risk of exposure or to care for a family member.
 - Press release: <https://www.dol.gov/newsroom/releases/eta/eta20200312-0>
 - Covid-19 dedicated DOL webpage: <https://www.dol.gov/coronavirus>
- H.R. 6201, *the Families First Coronavirus Response Act*, which passed the House on March 14 and should pass the Senate this week, also appropriated \$1 billion for emergency transfers to states to process and pay unemployment benefits.
 - States would receive half of their allocation within 60 days of the bill's enactment if they certify that they meet certain requirements, such as ensuring that workers can apply for benefits online or by phone.
 - States would receive the remaining funds if their unemployment claims increased by at least 10% over the same quarter in the previous year. They would have to waive certain eligibility rules for claimants and charges for employers affected by Covid-19.
- H.R. 6201 also waives the state matching requirement and provides full federal funding for the Extended Benefits (EB) program for the rest of 2020. To qualify, states would need to experience a 10% spike in unemployment claims over the past year and qualify for a full emergency funding transfer under the measure.
 - Background: Eligible laid-off workers can receive regular unemployment benefits for as long as 26 weeks in most states. After exhausting those benefits, individuals in states with rising unemployment can qualify for an additional 13 weeks of benefits — or 20 weeks in some states — through the Extended Benefits (EB) program.
- NY State DOL Unemployment Benefits Application:
https://labor.ny.gov/ui/how_to_file_claim.shtm

Internal Revenue Service/Department of Treasury

- On March 17, the Treasury Department announced a 90 day deferral for tax payments, up to \$1 million for individuals, with no interest and no penalties.
- On March 17, the IRS also alerted its employees that effective immediately, the IRS will stop some enforcement actions, including certain levies and collection notices, until further notice.
- Covid-19 dedicated IRS webpage: <https://www.irs.gov/coronavirus>

Nutrition Assistance

- On March 14, the House passed H.R. 6201, *the Families First Coronavirus Response Act*. The Senate is expected to pass the legislation this week. The bill includes:

- \$500 million in emergency funding for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program.
- \$400 million for the Commodity Assistance Program for the emergency food assistance program (TEFAP), \$100 million of which could be used for costs related to the distribution of goods.
- **SNAP Benefits for Kids:** If a school is closed for at least five consecutive days because of a coronavirus-related public health emergency, states could adjust their SNAP to provide additional aid to households with children eligible for free or reduced price school meals.
- **SNAP Work Requirements:** The bill would waive federal work requirements for SNAP eligibility. The waiver would begin the first full month after the bill is enacted and terminate at the end of the first full month after a federal coronavirus-related emergency declaration is lifted.
 - State-imposed work requirements would not be changed, but a person's participation in SNAP during the emergency could not be counted for determining compliance with work requirements.
- **Other SNAP Benefits:** States that make their own emergency or disaster declarations related to Covid-19 could request emergency allotments of food aid to support increased participation in SNAP and address temporary food needs.
- **Meal Program Waivers:** The bill allows USDA to waive statutory requirements for several food programs to ensure that meals can be provided during the emergency and to implement safety measures related to preventing the spread of Covid-19. It would allow nationwide waivers of eligible [National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, and Summer Food Service Program requirements](#).
 - The department could waive nutritional content requirements and rules to provide meals through the Child and Adult Care Food Program in group settings.
 - Waivers related to Covid-19 that increase the cost to the federal government for school meals would be allowed.
- **WIC Waivers:** The measure would allow states to request waivers for the requirement that The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) recipients certify their eligibility in person and for deferring biometric and bloodwork requirements. USDA could also modify or waive WIC administrative requirements that a state can't meet due to the Covid-19 outbreak.

Covid-19 Employee Leave Policies

Sick Leave

Note : The President is expected to sign this bill today or tomorrow.

- Paid Sick Leave: 10 days of fully paid sick leave for full-time employees (pro-rata rules would apply to part-time employees).
 - Applicable to companies with 500 or fewer employees
 - Employers covered by this requirement would receive a refundable tax credit for the wages required to be paid

- The credit is capped at \$511 per day, and \$5,110 altogether, for employees taking leave for themselves (e.g., employee is experiencing symptoms, etc.)
- The credit is capped at \$200 per day, and \$2,000 altogether, for employees taking leave to care for a child or other individual (e.g., child is experiencing symptoms, etc.).
- An equivalent tax credit is available for self-employed persons
- The Department of Labor has authority to exempt businesses with fewer than 50 employees if paid sick leave requirements "would jeopardize the viability of the business as a going concern"

Family & Medical Leave

- *Note: the House of Representatives passed these provisions on March 14, and the Senate is expected to pass them the week of March 16.*
- 12 weeks of family leave to provide for children due to school closure or lack of childcare because of a public health emergency.
 - Applicable to companies with 500 or fewer employees
 - First 10 days of leave are unpaid
 - Employers would be required to pay employees two-thirds of their wages starting on day 11 (pro-rata rules would apply to part-time employees) and would receive a refundable tax credit for wages required to be paid, capped at \$200 per day, and \$10,000 altogether.
 - The Department of Labor has authority to:
 - Issue regulations for businesses with fewer than 50 employees if paid sick leave requirements "would jeopardize the viability of the business as a going concern"
 - Exclude health care providers and emergency responders from the requirements