

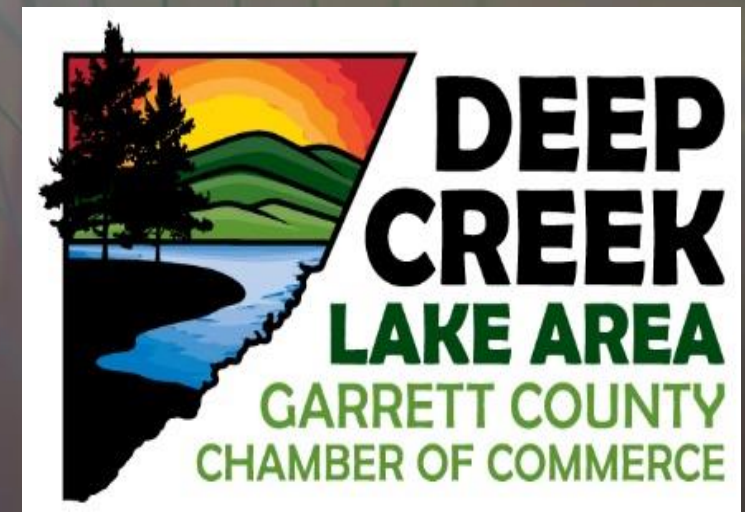
# COVID-19 UPDATE

By Garrett County Health Department  
&  
Garrett County Chamber of Commerce

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Presented by:

March 25, 2020



# FEDERAL LEGISLATION

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- Families First Coronavirus Response Act H.R. 6201 (FFCRA)
  - Effective April 2, 2020
  - Applies only to employers with less than 500 employees
  - Limited to coronavirus pandemic and expires December 31, 2020
  - Mandates, covered employers provide paid leave for employees affected by COVID-19 if those employees are unable to work or telework
  - Two components: 2 weeks (80 hours) paid sick leave and 10 weeks paid FMLA leave

# FFCRA SPECIFICS

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1. The employee is subject to a federal, state, or local quarantine or an isolation order related to COVID-19.
2. The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
4. The employee is caring for an individual who is subject to a federal, state, or local quarantine or isolation order related to COVID-19.
5. The employee is caring for an individual who has been advised by a health care provider to self-quarantine due to the concerns related to COVID-19.
6. The employee is caring for his/her child in the event of school or daycare closure due to COVID-19, or if the childcare provider of the son or daughter is unavailable due to COVID-19 precautions.

# FFCRA RATE OF PAY

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- The sick leave is paid at the employee's regular rate of pay if it is due to the employee being sick or quarantined due to COVID-19, up to \$511 a day and \$5,110 total
- FMLA is used when caring for another individual due to COVID-19 and is paid at 2/3 of the employee's regular rate of pay, capped at \$200 per day and \$2,000 total (kicks in after the first 2 weeks of emergency paid sick leave)

# FFCRA TAX CREDITS

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- Tax credits will be allowed to offset anticipated costs for both paid emergency sick leave & the FMLA leave due to COVID-19
  - Employers are allowed a credit against the employer portion of Social Security taxes equal to 100% of the qualified paid emergency sick or FMLA leave

# STATE LEGISLATION

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## ❖ SB 1080

- Retail Profits: The Governor may prohibit a retailer from increasing the sale or rental price of any good or service to a price that increases the retailer's value of profit by more than 10%, including food, fuel, water and ice, medicine, medical supplies and equipment, cleaning products, building supplies and equipment, energy sources, and storage space.
- Employer Actions: The Governor may prohibit an employer from terminating an employee solely on the basis that the employee has been required to be isolated or quarantined.
- Unemployment Insurance Eligibility Due to COVID-19: authorizes the Secretary of Labor, to determine that an individual, who need not separate from the individual's employment, is eligible for UI benefits if:
  - the individual's employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
  - the individual is quarantined due to COVID-19 with the expectation of returning to work after the quarantine is over;
  - the individual leaves employment due to a risk of exposure or infection of COVID-19 or to care for a family member due to COVID-19

# FEDERAL & STATE BUSINESS ASSISTANCE

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- SBA Economic Injury Disaster Loan

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

- MD Emergency Relief Loan Fund

<https://commerce.maryland.gov/fund/maryland-small-business-covid-19-emergency-relief-loan-fund>

- MD Emergency Relief Grant Fund

<https://commerce.maryland.gov/fund/maryland-small-business-covid-19-emergency-relief-grant-fund>

- COVID-19 Layoff Aversion Fund

<https://www.dllr.state.md.us/employment/covidlafund.shtml>

# SBA EIDL

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- Businesses can get up to 2 million dollars with an up to 30 year repayment schedule (SBA will determine both) at 3.75% interest with payments beginning 5 months after you receive the funds.
- Anything above 25K requires collateral (business assets, real estate, etc.)
- Businesses must prove they have been affected, have an acceptable credit history, and must be able to repay the loan.
- Businesses must be physically located in the declared county (not just have an economic presence).
- Applications are made directly with the SBA, not through a bank.
- Loan decisions are issued in about 3 weeks, but loan disbursement will take longer and depends on how the client meets the closing requirements.



# MD EMERGENCY RELIEF LOAN FUND

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\$75M Loan Fund offering working capital to assist Maryland for-profit small businesses disrupted operations due to COVID-19. Loan assistance is intended to provide interim relief complementing actions with its bank, business interruption insurance, and financial partners.

## **GENERAL TERMS AND CONDITIONS:**

- Loans up to \$50,000 (not to exceed three months of cash operating expenses) open to Maryland businesses impacted by the COVID-19 with fewer than 50 employees.
- 0% for the first 12 months, and 2% for the remaining 36 months.
- Deferral of any payments for the first 12 months, and straight amortization beginning in the 13th month through the 36th month.
- Business must be established prior to March 9, 2020 and in good standing.
- Applicants must have employees on their payroll for whom they have had payroll taxes withheld (i.e. W-2 employees).
- Two years of historical financial statements and most recent interim statement to benchmark revenue against (if available).
- Six monthsh pro forma of estimated lost revenue or other documented loss evidence.
- Minimum personal credit score of 575.
- No collateral requirements.
- Eligible uses include: working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.

# MD EMERGENCY RELIEF GRANT FUND

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\$50M Grant Fund offering working capital to assist Maryland small businesses and nonprofits with disrupted operations due to COVID-19. Grant assistance is intended to provide interim relief complementing actions with its bank, business interruption insurance, and financial partners.

## **GENERAL TERMS AND CONDITIONS:**

- Grants up to \$10,000 not to exceed 3 months of cash operating expenses for Maryland businesses and nonprofits impacted by the COVID-19 with 50 or fewer employees.
- Must be established prior to March 9, 2020.
- Business must be in good standing.
- Applicants must have employees on their payroll for whom they have had payroll taxes withheld (i.e. W-2 employees).
- Annual Revenues of the business or nonprofit not to exceed \$5 million as evidenced by Financial Statement or other financial documentation.
- Business or nonprofit is expected to seek longer term funding through its bank, SBA, or other source.
- Eligible uses include: working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of operations.

# COVID-19 LAYOFF AVERSION FUND

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Designed to support businesses undergoing economic stresses due to the pandemic by preventing or minimizing the duration of unemployment resulting from layoffs. The award (up to \$50,000 per applicant), will be a quick deployable benefit and customizable to the specific needs of your business to minimize the need for layoffs. Labor is accepting grant applications from small businesses for awards from now through 30 days after the State of Emergency ends (subject to funding availability).

- Provides funds to cover the cost of purchasing remote access (ex. computers, printers, etc.) equipment to allow employees to work remotely from home versus being laid off;
- Provides funds to cover the cost of purchasing software or programs that an employee would need to use from home;
- Supports businesses that take advantage of the [Unemployment Insurance Work Sharing Program](#) by supplementing the employee's income and benefits;
- Provides funds to cover the costs of cleaning/sanitization services so that small businesses are able to keep employees at work on site, but only if a frequent deep cleaning to prevent exposure occurred;
- Pays for liability insurance for restaurants that convert to delivery while under emergency circumstances;
- Provides funds for training or professional development opportunities for employees to avoid layoffs; and
- Pays for adopting other creative approaches and strategies to reduce or eliminate the need for layoffs in the small business community.

**NOTE:** This funding is **not** for rent or employee wages (unless approved for [Unemployment Insurance Work Sharing](#) participation).

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Garrett County Chamber of Commerce Updates & Resources

[www.visitdeepcreek.com/coronavirus-updates-toolkit](http://www.visitdeepcreek.com/coronavirus-updates-toolkit)