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AGENDA

- **FINANCIAL ASSISTANCE FOR SMALL BUSINESS**
- **LABOR GUIDELINES**
- **PRACTICAL MATTERS – INSURANCE/TAXES**

PRESENTERS



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FINANCIAL RELIEF OPTIONS

STATE AND FEDERAL PROGRAMS

*State grant and loan programs

*Federal programs offered through Small Business Administration (SBA) under CARES Act: COVID-19 emergency relief loan programs for businesses impacted by the health crisis

PROGRAMS AVAILABLE

FEDERAL PROGRAMS:

EXPRESS BRIDGE LOANS

Low interest loans up to \$25K to bridge gap while waiting for other SBA financing. Only for small business borrowers with an existing banking relationship with an SBA Express Lender.

Businesses can apply [here](#).

ECONOMIC INJURY DISASTER LOAN PROGRAM

[Low interest loans](#) up to \$2 million to pay fixed debts, payroll, accounts payable, and other bills. Can also obtain \$10K advance on disaster loan.

PAYCHECK PROTECTION PROGRAM

Low interest loans up to \$10 million based on average weekly payroll costs. Loan may be forgiven under certain circumstances

[PPP Link here](#)

PPP LOAN PROGRAM

KEY ELEMENTS

PURPOSE

Keep employees paid and employed

AMOUNTS

- 2.5 x average monthly payroll costs over prior 12 mos.
- Capped at \$10M

BORROWER

Less than 500 employees

“WOW” ITEMS

Possible loan forgiveness

No personal guarantee

No collateral

PPP LOAN PROGRAM

HIGHLIGHTS

USE OF LOAN

- Payroll
 - Exclude over \$100k
- Rent
- Interest on mortgage
- Utilities

TERMS

Interest cap at 4%

Deferral 6 to 12 months

Non-forgiven amount is 10 year term

FORGIVENESS

If used in 8 weeks for proper purposes, loan can be forgiven

Reduction in forgiveness based upon laid off workers

Documentation

ACTION ITEMS

Compute Payroll cost

Contact lender/SBA

Apply by June 30

EMERGENCY PAID SICK LEAVE

COVERAGE

All employers with fewer than 500 employees.

All employees regardless of length of employment

QUALIFYING REASONS 1-3

Employee's own Condition

- Gov't. quarantine
- Self quarantine on advice of health care.
- Experiencing symptoms of coronavirus

QUALIFYING REASONS 4-6

Care for Others

- Other subject to quarantine or self-quarantine
- School/child care closed.
- Other condition declared by HHS

PAY

- Up to 80 hours
- #1 to 3 – Pay at 100% regular rate; cap \$511/day/ \$5,110 total
- #4 to 6 Pay at 2/3 regular rate; cap \$200/ day/\$2,000 total
- Tax credits.

EMERGENCY FAMILY & MEDICAL LEAVE EXPANSION ACT

COVERAGE

All employers with fewer than 500 employees.

All employees with 30 calendar days or more.

QUALIFYING REASON

Care for a son or daughter whose school or child care center is closed,

PAY

- Up to 12 weeks total
- 1st ten days unpaid
- Balance at 2/3 regular rate
- Cap \$200/day \$10,000 total
- Tax credits

REINSTATEMENT

Generally have to reinstate after leave to the same or equivalent position.

Exception for employers with fewer than 25 employees if conditions met

SMALL BUSINESS EXEMPTION

- Employer < 50 employees = exempt from providing EPSL or FMLA for school/ child care closure when doing so would jeopardize the viability of the small business as a going concern.
 1. Providing leave would result in the small business's expenses and financial obligations exceeding available revenues and cause the business to cease operating at a minimal capacity;
 2. The absence of the employee(s) requesting leave would entail a substantial risk to the financial health or operational capabilities of the small business because of their specialized skills, knowledge of the business, or responsibilities, or;
 3. Not sufficient workers able, willing, qualified, and available at the time and place needed, to fill in for the employee(s) requesting leave, and these labor or services are needed for the small business to operate at a minimal capacity.
- Awaiting guidance from Department of Labor

PRACTICAL MATTERS

BUSINESS INTERRUPTION INSURANCE

- “Physical damage”
- Notice to Insurer

TAXES

To file or not to file?