

CORONAVIRUS

WEEKLY WEBINAR SERIES



March 9, 2021



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Introduction



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Vaccine and Variant Update



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PPP Update



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Summary of 2021 PPP Approved Lending

Loans Approved	Net Dollars	Lender Count
2,409,105	\$164,950,550,832	5,198

**\$284B allocated in December 2020
Stimulus**

Approx. \$119B remaining in PPP funds



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Industry for 2021 PPP

NAICS Sector Description	Loan Count	Net Dollars	% of Amount
Accommodation and Food Services	235,261	\$29,436,587,500	18%
Construction	209,884	\$21,726,237,776	13%
Professional, Scientific, and Technical Services	287,703	\$18,322,712,488	11%
Health Care and Social Assistance	218,051	\$17,366,507,108	11%
Manufacturing	99,703	\$15,904,399,895	10%
Other Services (except Public Administration)	290,992	\$11,565,167,769	7%
Retail Trade	164,530	\$8,155,368,980	5%
Administrative and Support and Waste Management and Remediation Services	100,061	\$6,667,273,685	4%
Wholesale Trade	67,042	\$6,590,758,034	4%
Agriculture, Forestry, Fishing and Hunting	300,053	\$5,892,987,687	4%
Transportation and Warehousing	122,504	\$5,560,356,379	3%
Real Estate and Rental and Leasing	91,449	\$3,859,597,673	2%
Arts, Entertainment, and Recreation	75,961	\$3,812,137,056	2%
Educational Services	43,240	\$3,063,572,978	2%
Information	31,363	\$2,570,318,693	2%
Mining	11,690	\$1,804,907,800	1%
Finance and Insurance	47,817	\$1,667,645,695	1%
Public Administration	6,691	\$446,207,412	0%
Management of Companies and Enterprises	2,709	\$288,781,748	0%
Utilities	2,401	\$249,024,474	0%

Approvals through 03/07/2021



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Loan Size for 2021 PPP

Loan Size	Loan Count	Net Dollars	% of Count	% of Amount
\$50K and Under	1,770,200	\$30,465,666,470	73.5%	18.5%
>\$50K - \$100K	276,147	\$19,747,665,230	11.5%	12.0%
>\$100K - \$150K	136,825	\$16,963,129,191	5.7%	10.3%
>\$150K - \$350K	139,653	\$31,551,830,256	5.8%	19.1%
>\$350K - \$1M	67,916	\$37,892,688,690	2.8%	23.0%
>\$1M - \$2M	18,157	\$27,385,380,200	0.8%	16.6%
>\$2M - \$5M	146	\$467,534,975	0.0%	0.3%
>\$5M	61	\$476,655,819	0.0%	0.3%

* Overall average loan size is: \$68K.



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March 3, 2021 SBA FAQ Update

Good Faith Certification

- *For Second Draw PPP Loans, all borrowers must certify in good faith that “[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.” Because Second Draw PPP Loan borrowers must demonstrate that they have had a 25% reduction in gross revenues, all Second Draw PPP Loan borrowers will be deemed to have made the required certification concerning the necessity of the loan in good faith. The loan amounts received by borrowers for First Draw PPP Loans and Second Draw PPP Loans will not be aggregated.*



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March 3, 2021 SBA FAQ Update

Is a borrower eligible for a Second Draw PPP Loan if the borrower received partial forgiveness of its First Draw PPP Loan?

- **Yes**, so long as long the borrower used the full amount of its First Draw PPP Loan only for eligible expenses.

May applicants use SBA's established size standards (either revenue-based or employee-based) or SBA's alternative size standard to qualify for a Second Draw PPP Loan?

- **No**, Second Draw PPP Loan applicants are limited to 300 employees (with a couple exceptions).



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PPP Forgiveness Update:

- *The **Alternative Payroll Covered Period** has been eliminated for any PPP loan (regardless of loan disbursement date) if loan forgiveness was not sought in 2020. If loan forgiveness is now being sought in 2021, there is no Alternative Payroll Covered Period.*



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Relief Legislation Update



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The American Rescue Plan of 2021

- House Passed 2/27/21
- Senate Passed (with Amendments/Changes) 3/6/2021
- Scheduled to go back to the House today
- Push to pass by March 14
 - Race to pass before unemployment benefits lapse



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Key Highlights

- **Stimulus Checks – Changed from House Bill**
 - Eligibility thresholds changed.
 - Individuals earning **adjusted gross income (AGI)** up to \$75,000
 - Married couples up to \$150,000
 - Payments phase out – **Individuals with \$80,000 AGI or Couples with \$160,000 do not receive any payment**
 - Up to \$1,400 per individual and dependent
- **Minimum Wage Provision REMOVED**
 - As discussed last week, did not meet Senate rules for utilization of budget reconciliation process



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Highlights – Paid Sick & Family Leave

- **Emergency Paid Sick Leave and Expanded Family and Medical Leave**
 - Recall: FFCRA leave mandate expired on December 31, 2020; extension of payroll tax credits available to employers who voluntarily elect to provide FFCRA style leave
 - December 27, 2020 Relief Bill (Consolidated Appropriations Act, 2021) extended payroll tax credits to employers who voluntarily provided the leave through March 31, 2021
 - This relief bill would further extend and expand



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Highlights – Paid Sick & Family Leave

- **Voluntary:** Still totally voluntary; not new mandate
- **Extension:** Extend payroll tax credits through **September 30, 2021**
- **Reset for Paid Sick Leave:** Reset 10-day limit for paid sick leave starting April 1, 2021
- **Leave for COVID Vaccinations:** Expand EPSL and EFMLA credits to allow for leave taken to obtain COVID-19 vaccine **or** recover from any “injury, disability, illness, or condition related to COVID-19 immunization”



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Highlights – Paid Sick & Family Leave

- **Expanded Definition of EFMLA:** Expand to allow tax credits claimed for all qualifying uses of paid sick time
- **Increase in Tax Credit for EFMLA:** Increase limit on tax credit for paid family leave wages to \$12,000
 - Currently limited to \$200 per day, up to \$10,000 total per employee
- **Nondiscrimination Provision:** Employers could not claim the credits if paid leave provided to employees discriminates in favor of highly compensated employees, full-time employees, or on the basis of tenure with the employer



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Highlights – Paid Sick & Family Leave

- **Governmental Employers:** Allow 501(c)(1) and 501(a) organizations to claim the tax credits
 - Currently, government employers may not claim tax credits



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Highlights – UI Benefits

- **Extension of UI Benefits**
 - Currently set to expire March 14, 2021
 - Expand federal unemployment aid until **September 6, 2021**
 - More self-employed and part-time individuals could qualify
 - **\$300 Federal Benefit**
 - **Proposal to exclude first \$10,200 of 2020 UI benefits from federal income tax for certain eligible households**



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Highlights – Employee Retention Credit

- **Extension of Employee Retention Credit** – Extend availability of employee retention credit through December 31, 2021
 - Currently set to expire July 1, 2021
 - Credit available for “Start up Businesses” (those that were established after February 15, 2020 with average annual gross receipts that do not exceed \$1 million)
 - “Severely financially distressed employers” (those with gross receipts that are less than 10% of what they were in the same calendar quarter in 2019) would be able to treat **all** wages as qualified wages



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Highlights – COBRA Subsidies & Changes

- **COBRA Continuation Coverage**
 - Premium assistance for COBRA continuation coverage for individuals and families
 - **100% Subsidy** of COBRA health insurance premiums for laid-off workers through end of September
 - Plan enrollment option
 - Extension of election period
 - Employer Notice requirements
 - Requires employers to provide clear written notices on various topics
 - Penalties may apply for failure to provide appropriate notice
 - Government to develop model notices
 - **Once passed, employers should review COBRA forms to ensure compliant with most up to date information as required by the ARPA**



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Highlights – Multi-employer Pension Plans

- **Multi-employer Pension Plans**
- Financial assistance for severely underfunded multi-employer pension plans (\$86 Billion)
 - “Special financial assistance” not subject to financial repayment obligations
 - Application process to be established within 120 days
 - Special partition program
 - Federal funds (lump sum grants) to maintain current accrued benefits for 30 years
 - Impact on rehabilitation plan obligations and withdrawal liability principles for employers in these plans



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NYS Labor Legislation



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Pending NYS Legislation: S1034A/A2681

- Passed Senate, March 1 (46-16)
- Delivered to Assembly; expected to pass
- Covers Private Sector Employers / Employees & Non-Employees
- “Airborne Infectious Disease Exposure Plan” must be created and implemented
 - NYSDOL / NYSDOH will develop “model standard”
- Civil Penalties / Private Right of Action
- OSHA?



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Pending NYS Legislation: S1034A/A2681

- “Labor-Management Workplace Safety Committees” must be created
- 2/3rds must be non-supervisory employees
- Co-chaired by employer representative and employee representative
- Committee empowered to:
 - Raise health, safety, hazard, *etc.* concerns
 - Review policies
 - Participate in site visits
 - Review employer reports
 - Regularly schedule meetings
- Anti-retaliation Protections



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Update from Albany



Caitlin A. Anderson

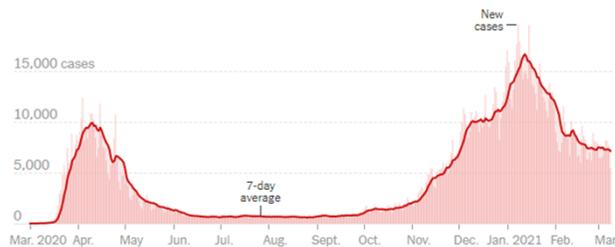
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New York Coronavirus Map and Case Count

Updated March 9, 2021, 12:05 A.M. E.T.



The New York Times

	TOTAL REPORTED	ON MARCH 8	14-DAY CHANGE
Cases	1.7 million+	5,440	-3% →
Deaths	47,921	64	-25% →
Hospitalized		5,116	-28% →

Hospitalization data from the U.S. Department of Health and Human Services; 14-day change trends use 7-day averages.



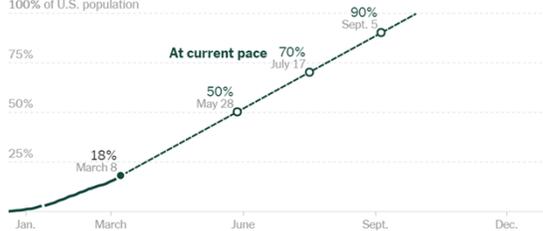
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Vaccine Rollout

When a given share of the U.S. population might be at least partially vaccinated

The current vaccination rate is based on the average daily increase in newly vaccinated people over the past week. This includes people given the single-dose Johnson & Johnson vaccine and the first shot of the two-dose series made by Moderna or Pfizer-BioNTech.

7-day average: 1.32 million newly vaccinated people
100% of U.S. population



Source: Centers for Disease Control and Prevention | Note: Data from Dec. 20 to Jan. 12 are for all doses administered. Data for Jan. 13 is unavailable. Projections could change if additional vaccines are authorized.

The New York Times

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- 18.4% of New Yorkers have received the first shot.
- 9% are fully vaccinated.
- No new announcements on vaccine eligibility.

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New CDC Guidance For Fully Vaccinated People

- Fully vaccinated people can:
 - Visit other vaccinated people indoors without masks or distancing.
 - Visit unvaccinated people from a single household who are at low risk for COVID-19 without masks or social distance.
 - Refrain from quarantine and testing following a known exposure if asymptomatic – removed the 90-day time limit.*
- Must continue to wear masks in public, should still avoid medium and large in-person gatherings.

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Current Quarantine Guidance

- Travel: fully vaccinated domestic travelers do not need to quarantine*
- Exposure: fully vaccinated individuals who are asymptomatic do not need to quarantine/be tested*
- Individuals who tested positive in the past 90 days: **no publicly released official policy**, but appears most local health departments are following CDC guidance and not requiring quarantine if individuals are exposed and remain asymptomatic



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What else is happening in Albany?

- More allegations against the Governor; Senate Majority Leader Andrea Stewart Cousins calling for Governor's resignation.
- AG investigation: Joon Kim (former U.S. Attorney for S.D.N.Y.) and Anne Clark (employment discrimination attorney) leading investigation.
 - Kim – former top deputy for Preet Bhara, investigated Cuomo administration, led corruption prosecution of one of Cuomo's top aides



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Vaccine and Variant Update

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PPP Update

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Relief Legislation Update

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NYS Labor Legislation

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Update from Albany

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