

CORONAVIRUS UPDATE – FEDERAL ACTIONS FOR EMPLOYERS

To confront economic and health-related issues emerging from the Coronavirus (COVID-19) situation, our state and federal governments have enacted a series of legislative and regulatory measures as well as issued several executive orders.

Federal Actions

National Emergency Declaration. President Donald Trump this afternoon declared a national emergency, an action that gives him authority to use \$40 billion allocated by Congress for disaster relief to address the COVID-19 crisis. Mr. Trump has invoked law that empowers the Federal Emergency Management Agency to coordinate disaster response and aid for state and local governments.

\$8.3 Billion Federal Funding Response. Earlier this week, President Trump signed legislation to assist small businesses and health providers:

- Small Business Loans. The Small Business Administration will work directly with state governors to provide targeted, low-interest [loans](#) to small businesses that have been severely impacted by the Coronavirus (COVID-19). The SBA's Economic Injury Disaster Loan program provides 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. (See below for more details.)
- States to receive a minimum of \$4 million.
- \$826 million to National Institute of Allergy and Infectious Diseases - for the development of vaccines, treatments, and tests.
- \$61 million to FDA to expedite reviews and cover manufacturing disruptions from epicenters such as China.
- Empowers the US Department of Health and Human Services to ensure vaccines, drugs or tests are "affordable in the commercial market."

Additional Federal Legislation. As of this afternoon, Congress and the Trump Administration are negotiating a stimulus package that would address increased child care, paid sick leave, increased SNAP, extended unemployment benefits, free Coronavirus testing, protecting health care workers, strengthening Medicaid, and no price gouging. It is unclear whether the legislation will address a payroll tax cut or suspension, as President Trump has proposed, or targeted relief for certain affected industries.

Unemployment Insurance Flexibility. In a major development for companies concerned about lost income for their employees if they shut down or lay off employees due to the virus, the U.S. Department of Labor announced yesterday a new guidance outlining flexibilities that states will have in administering their unemployment insurance (UI) programs to assist employees affected by the COVID-19 outbreak. The guidance is available to read [here](#). Under the guidance, federal law permits significant flexibility for states to interpret or amend their laws to provide UI

benefits in multiple scenarios related to COVID-19. For example, federal law allows states to pay benefits where:

- An employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
- An individual is quarantined with the expectation of returning to work after the quarantine is over; and
- An individual leaves employment due to a risk of exposure or infection or to care for a family member.

In addition, federal law does not require an employee to quit in order to receive benefits due to the impact of COVID-19. Under the guidance, states will have greater assurance about the circumstances in which they are authorized to extend unemployment insurance benefits to Americans whose employment has been disrupted by Coronavirus. An individual receiving paid sick leave or paid family leave is still receiving pay and is not "unemployed," so the individual is ineligible for unemployment insurance. The Department's Employment and Training Administration will continue to assist any states seeking assistance in implementing these flexibilities.

EPA List of Disinfectants for Use against Coronavirus (COVID-19). The U.S. Environmental Protection Agency has information [here](#) regarding its emerging viral pathogen program for use against the COVID-19 Coronavirus. Amongst other resources on the EPA site, there is information regarding the CDC's cleaning and disinfection recommendations for COVID-19.