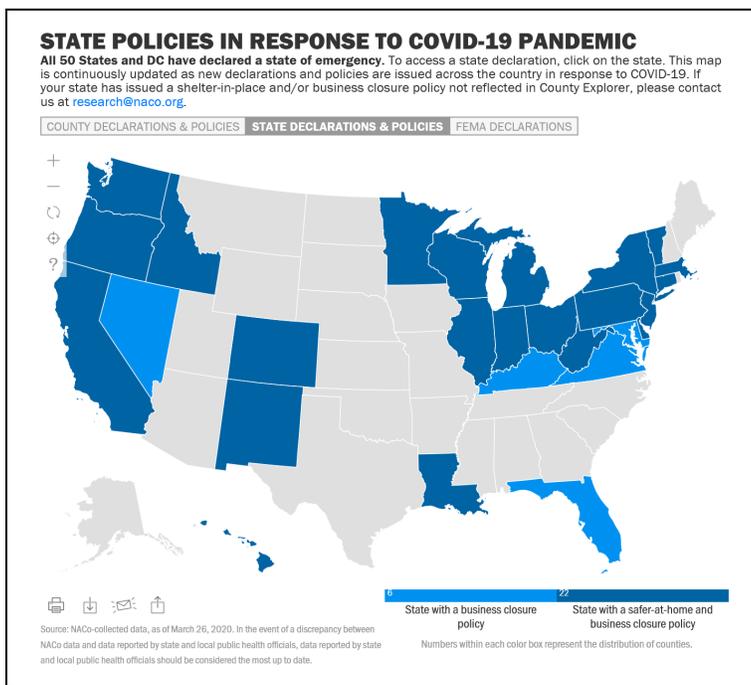


## Stay At Home Order; State and Federal Stimulus Bills Pass

On March 22, Governor Mike DeWine's Department of Health Director, Dr. Amy Acton, issued a "[Stay at Home](#)" order for all Ohioans. The order went into effect on Monday, March 23 at 11:59 p.m. In his March 30 press conference Gov. DeWine just extended it from April 6 to April 30. Its affect closed all businesses besides those that are deemed "essential" in the U.S. Department of Homeland Security's Cyber Infrastructure



Security Agency's [Guidance on the Essential Critical Infrastructure Workforce](#) (above). Statewide shutdowns have occurred in several states as depicted on the National Association of County Officials map (below).



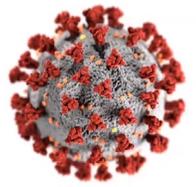
This order is in addition to the [several orders closing businesses](#) to mitigate the spread of coronavirus through social/physical distancing of the population. This is causing unprecedented strains on businesses, families and the economy. Governor Mike DeWine has issued [several orders providing relief to the employers and employees](#), including unemployment insurance and small business loans.

Part III focuses on the details of the additional government assistance available at the state and federal levels for employers and employees, as well as the self-employed and independent contractors in response to the continuing coronavirus pandemic.



# Employers Guide to Coronavirus – Part III

(Published March 30, 2020)



For more information: [www.cdc.gov/COVID19](http://www.cdc.gov/COVID19)

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## State Stimulus Package Due to Coronavirus – HB 197

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**HB 197**, a stimulus bill to address the negative effects of the coronavirus on Ohio, passed the General Assembly on Wednesday, March 25, 2020. Gov. DeWine signed the bill at his daily press conference on Friday, March 27. All but one provision sunset on December 1, 2020, or upon Gov. DeWine rescinding his March 9 state of emergency declaration. While the bill does not provide direct financial assistance to employers struggling with cash flow and other hardships due to the economic fallout caused by COVID-19, it does provide important law changes for employers and employees.

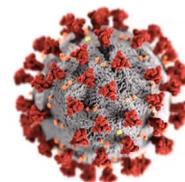
Here is a quick summary of the final version of [HB 197](#).

### 1) **Unemployment Compensation**

- The bill codifies the temporary changes to the unemployment compensation system made in Gov. Mike DeWine's [March 16, 2020 Executive Order](#).
- [SharedWork Ohio](#) allows business owners to cut employee pay between 10 percent and 50 percent and provides a portion of the benefit the employee would receive through unemployment to that employee. This program is designed to allow employers to reduce payroll costs during times of business decline, without having to lay off employees. The participating employer reduces affected employees' hours in a uniform manner. The participating employee works the reduced hours each week, and the Ohio Department of Job and Family Services (ODJFS) provides eligible individuals an unemployment insurance benefit proportionate to their reduced hours. Click [here](#) for more information.
- Ohioans can apply for unemployment benefits online 24 hours a day, seven days a week, at [unemployment.ohio.gov](http://unemployment.ohio.gov). It is also possible to file by phone at **877-644-6562** or TTY at **888-642-8203, Monday through Friday, 8 a.m. to 5 p.m.** Employers with questions should email [UCTech@jfs.ohio.gov](mailto:UCTech@jfs.ohio.gov).

### 2) **Tax**

- moves the state personal income tax return due date from April 15th to July 15th to match the extended federal tax return date;
- gives the [Ohio Department of Tax commissioner](#) the authority to:
  - extend due dates for tax returns filed with ODT,
  - waive interest (penalties already can be waived), and
  - extend the dates for estimated and accelerated tax payments.
- ensures employers can continue to withhold local income taxes using their business location even though many employees are now working remotely



### 3) License, permit, certificate, registration expiration extension

- automatically extends any license, permit, certificate, registration, etc. issued by a state agency or a local government that would otherwise expire between the effective date of the bill to December 1, 2020

### 4) Judicial Access - tolls or suspends the statute of limitation period

- tolling applies to all civil and administrative claims, including (but not limited to) personal injury, employment discrimination, product liability, and workers' compensation claims, that would have expired between March 9 and July 30, 2020

### 5) Primary Election – April 28, 2020

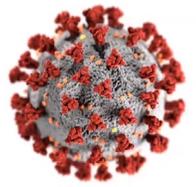
- extends absentee voting by mail for the March 17 primary election to April 28, 2020
- Governor Mike DeWine, Ohio Department of Health Director Dr. Amy Acton, and Ohio Secretary of State Frank LaRose effectively postponed the March 17, 2020 primary election the day before the election. They did so to mitigate the spread of the coronavirus and ensure that volunteer poll workers and voters were not jeopardizing their own health and safety. In addition, they wanted every Ohioan to have the ability to exercise their constitutional right to vote without fear of contracting the disease. In response, the Ohio House and Senate met on Wednesday, March 25 to enact the stimulus measures in [HB 197](#), but also move the final day to cast a ballot in the primary election to April 28, 2020. Step-by-step instructions are found below. Click [here](#) for a copy of the 2020 Ohio Primary Election Voter Guide for more information on the candidates that are on the ballot.

- ✓ ☒ There will be no in-person voting for most people.
- ✓ ♿ If you need to vote in-person because of a disability, you can skip these steps and vote in-person at [your local county Board of Elections](#) on April 28 only.
- ✓ 🖱️ [Application for Absentee Ballot to Vote by Mail](#). This link takes you directly to the Secretary of State's website with further instructions. If you want to print off and fill in a blank absentee ballot click [here](#). This is a primary, so remember to pick ONE party (or issues only) for your ballot. Print and sign.
- ✓ ✉️ Mail your request form to your [local county's Board of Elections](#).
- ✓ 📧 You will receive a ballot in the mail. Once you get it, complete it and mail it back with the stated postage. **Act fast, because it must be mailed and postmarked by April 27** (meaning, it has to be in the mail before April 28).
- ✓ ✓ If you have already voted, you are done! *Your job now is to share this information with others. This is an unusual situation and people will need to know the new procedures.*



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For more information: [www.cdc.gov/COVID19](http://www.cdc.gov/COVID19)

## Can you help with personal protective equipment (PPE)?

- If your company is able to manufacture or donate Personal Protective Equipment (PPE) for healthcare workers and first responders, please contact the state of Ohio to let them know what you are able to provide. In addition, if you are able to retool, there may be state resources available should you be able to produce these types of materials. For more information click [here](#). Contact the state by e-mailing [together@governor.ohio.gov](mailto:together@governor.ohio.gov).

The PPEs include:

- Masks
- Goggles
- Face shields
- Surgical gloves
- Medical gowns

## If you or your employees have school-aged children

- The Ohio “At-Home Learning” initiative will include a full schedule of daily television programming geared toward students in prekindergarten through 12th grade. This programming will be available on Ohio PBS television stations across the state starting in most areas on Monday, March 30th. Additional resources and information are available at [Coronavirus.Ohio.Gov/LearnAtHome](http://Coronavirus.Ohio.Gov/LearnAtHome)

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## Federal Stimulus Package III – CARES Act

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### Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

**S. 3548** passed the U.S. Senate by a unanimous vote on March 25. The U.S. House reconvened to pass the bill on March 27 and President Trump signed the bill later that day. The 854-page bill sets four main objectives: (1) provide emergency cash to individuals and their families, (2) deliver fast and significant relief to small businesses, (3) help stabilize the economy and curb layoffs, and (4) rush resources to frontline health care workers. This additional federal funding, along with the state assistance, will make a tremendous difference to help keep workers afloat through this crisis.

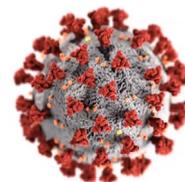
### Unemployment Compensation

- expands unemployment benefits by \$250 billion
- ensures self-employed and independent contractors, in industries such as beauty salons, barbershops, Uber drivers and gig workers, can receive unemployment
  - creates a new Pandemic Unemployment Assistance program to help those not traditionally eligible for UI, including self-employed, independent contractors, and those who are unable to work as a result of the coronavirus public health emergency



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- pays 50% of the unemployment insurance costs incurred by state, local and tribal governments and non-profit organizations, not part of the UI system
- allows individuals to remain connected to employment by extending eligibility to those who are employed, but unable to work due to coronavirus
- provides additional \$600/week payment to each UI or Pandemic Unemployment Assistance recipient for 3 months
- provides funding for the 1<sup>st</sup> week of unemployment for states to waive the traditional “waiting week” before benefits begin
- provides an additional 13 weeks of unemployment to help those who remain unemployed after weeks of state unemployment are no longer available
- includes provisions to support state and local governments and non-profits so they can pay unemployment to their employees
- provides states with temporary, limited flexibility to hire temporary staff or re-hire former staff to quickly process unemployment claims
- provides funding to states to help them maintain short-time compensation programs to prevent layoffs, as well as expand these work sharing programs in the future
- unemployment provisions are not permanent – they go through the end of 2020
- On March 30 Lt. Gov. Husted informed the public this is a new system and will take weeks, not days to set up in order to receive pandemic UI claims.

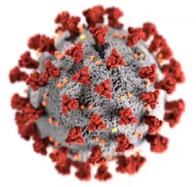
### Direct Payments to U.S. Citizens

- all U.S. residents with adjusted gross income up to \$75,000 (\$150,000 married), who are not a dependent of another taxpayer and have a work eligible social security number, are eligible for the full \$1,200 (\$2,400 married) rebate
- In addition, they are eligible for an additional \$500 per child. This is true even for those who have no income, as well as those whose income comes entirely from non-taxable means-tested benefit programs, such as SSI benefits
- for the vast majority of Americans, no action on their part will be required in order to receive a rebate check as IRS will use a taxpayer’s 2019 tax return if filed, or in the alternative their 2018 return
- this includes many low-income individuals who file a tax return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit
- the rebate amount is reduced by \$5 for each \$100 that a taxpayer’s income exceeds the phase-out threshold
- the amount is completely phased-out for single filers with incomes exceeding \$99,000, \$146,500 for head of household filers with one child, and \$198,000 for joint filers with no children



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## Paycheck Protection Program

- \$349 Billion in loans for small businesses (generally less than 500 employees), 501(C)(3)s, self-employed, sole proprietors, and independent contractors
- loans equal to the lesser of 2 ½ months of average payroll or \$10 million
- loans by local and national lenders
- minimal requirements (e.g. no collateral, no personal guarantee)
- loans convert to grants equal to amount spent on payroll, rent, interest on mortgage, and utilities for the 8 weeks after origination
- loan forgiveness is reduced proportionally if the employer reduces the number of FTEs
- loan forgiveness is reduced proportionally if the employer reduces wages by more than 25%
- employer can avoid reduction in forgiveness if they bring back employees and restore wages generally within 30 days and maintain through June 30

## Retirement Account Withdrawals

- waives the 10-percent early withdrawal penalty for distributions up to \$100,000 from qualified retirement accounts for coronavirus-related purposes made on or after Jan. 1, 2020
- income attributable to such distributions would be subject to tax over three years, and the taxpayer may recontribute the funds to an eligible retirement plan within three years without regard to that year's cap on contributions
- provides flexibility for loans from certain retirement plans for coronavirus-related relief.
- A coronavirus-related distribution is a one made to an individual:
  - 1) who is diagnosed with COVID-19,
  - 2) whose spouse or dependent is diagnosed with COVID-19, or
  - 3) who experiences adverse financial consequences as a result of being quarantined, furloughed, laid off, having work hours reduced, being unable to work due to lack of child care due to COVID-19, closing or reducing hours of a business owned or operated by the individual due to COVID-19, or other factors as determined by the Treasury Secretary.

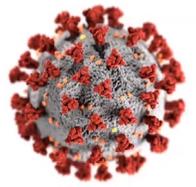
## Employee Retention Credit for Employers Subject to Closure Due to COVID-19

- The provision provides a refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.
- The credit is based on qualified wages paid to the employee. For employers with greater than 100 full-time employees, qualified wages are wages paid to employees when they are not providing services due to the COVID-19-related circumstances described above. For eligible employers with 100 or fewer full-time employees, all employee wages qualify for the credit,



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whether the employer is open for business or subject to a shut-down order. The credit is provided for the first \$10,000 of compensation, including health benefits, paid to an eligible employee. The credit is provided for wages paid or incurred from March 13, 2020 through December 31, 2020.

## Delay of payment of employer payroll taxes

- The provision allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government with respect to their employees. Employers generally are responsible for paying a 6.2-percent Social Security tax on employee wages. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022. The Social Security Trust Funds will be held harmless under this provision.

## Exclusion for certain employer payments of student loans

- The provision enables employers to provide a student loan repayment benefit to employees on a tax-free basis. Under the provision, an employer may contribute up to \$5,250 annually toward an employee's student loans, and such payment would be excluded from the employee's income. The \$5,250 cap applies to both the new student loan repayment benefit as well as other educational assistance (e.g., tuition, fees, books) provided by the employer under current law. The provision applies to any student loan payments made by an employer on behalf of an employee after date of enactment and before January 1, 2021.

## If you or your employees still have student loan debt

- On March 20, 2020, U.S. Secretary of Education Betsy DeVos announced that the office of Federal Student Aid is executing on President Donald J. Trump's promise to provide student loan relief to tens of millions of borrowers during the COVID-19 national emergency.
- All borrowers with federally held student loans will automatically have their interest rates set to 0% for a period of at least 60 days. In addition, each of these borrowers will have the option to suspend their payments for at least two months to allow them greater flexibility during the national emergency. This will allow borrowers to temporarily stop their payments without worrying about accruing interest. Click [here](#) for more information.

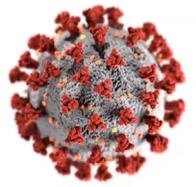
## What other resources are available?

- ✓ Opportunities like private grants are creative ways for a small business owner to gain access to the cash they need to continue operating, especially as part of a larger cash strategy.
  - Facebook is offering \$100 million in cash grants and ad credits to small businesses. Much like the James Beard Foundation, applications are not available but you can [sign up to receive more information](#) when it becomes available.



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## The Next Steps for Business Owners

While these resources won't necessarily be a cure-all for businesses looking to survive the COVID-19 pandemic, they'll help. And if you are a large, medium or small business owner looking to make the most of the current situation, a smart approach is to work with financial and legal advisors who can (1) guide you in applying for and complying with requirements for currently existing government programs, (2) monitor new legislation aimed at small business owners and help you act fast to take advantage the programs, and (3) advise you in applying for private funds that are rapidly becoming available.

**Prepared by Tony Fiore, an attorney with Kegler Brown Hill + Ritter and the Director of Government Affairs for the Ohio SHRM State Council. Connect with Tony by e-mail: [afiore@keglerbrown.com](mailto:afiore@keglerbrown.com); LinkedIn: [acfiore](#); Twitter: [@TonyFioreEsq](#).**

## Additional info can be found by clicking on the following links:

- **ODH** – [www.coronavirus.ohio.gov](http://www.coronavirus.ohio.gov) or 1-800-427-5634 (1-833-4-ASK-ODH) [Top 10 Things You Can Do to Prepare for COVID-19](#) + [Checklist for Business/Employers](#)
- **CDC** – [Interim Guidance for Business and Employers](#)
- **SHRM** – [Coronavirus and COVID-19 Resource Center](#)
  - [Keep Calm and Wash Your Hands](#)
  - [3 Ways to Keep Your Workplace Clean During Coronavirus Scare](#)
  - [State and Local Coronavirus Decrees Raise Questions of Who Is Essential](#)
- **OSHA** – [OSHA Injury and Illness Recordkeeping and Reporting Requirements](#)
- **US Dept. of State** – [Interactive Travel Advisory Map](#)
- **USDOL** – [Coronavirus Resources](#) - On March 25, the U.S. Department of Labor's (DOL's) Wage and Hour Division published workplace posters that small and midsize employers can use to fulfill their obligations to notify employees of their rights to expanded paid sick leave and expanded paid Family and Medical Leave Act leave under the Families First Coronavirus Response Act (FFCRA). They are:
  - [Employee Rights: Paid Sick Leave and Expanded Family and Medical Leave under The Families First Coronavirus Response Act \(FFCRA\)](#)
  - [Federal Employee Rights: Paid Sick Leave and Expanded Family and Medical Leave under The Families First Coronavirus Response Act \(FFCRA\)](#)
- **EEOC** – [Pandemic Preparedness in the Workplace](#) and [What You Should Know About the ADA, the Rehabilitation Act, and COVID-19](#)
- **The Ohio State University Wexner Medical Center** – [COVID-19 Resource Center](#)
- **OhioHealth** – [COVID-19 Toolkit](#)
- **Kegler Brown Hill + Ritter**- [COVID-19 Resource Center](#)