Federal COVID-19 Bills & New York’s Nonprofits
Financial relief, new employer requirements, and where to go next

April 3, 2020
1 pm - 2 pm
Webinar
Welcome

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Agenda

01 Resources

02 Federal COVID-19 Phases
   Families First Coronavirus Response Act
   CARES Act

03 New York State & City Actions

04 Questions

05 Ongoing Support & Engagement

All participants are muted. If you have a question at any point during the session, please type it into the Q&A box and it will be addressed by the presenters.
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Disclaimer
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Our Best Understanding

Based on preliminary guidance

Details are changing by the hour

Not Legal or Financial Advice

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Federal COVID-19 Phases

Congressional Action
Federal COVID-19 Phases

**Phase 1:** Coronavirus Preparedness and Response Supplemental Appropriations Act

**Phase 2:** Families First Act (FFCRA), Public Law 116-127

**Phase 3:** CARES Act, Public Law 116-136

**Phase 4:** ?
Families First Act (FFCRA)
Public Law 116-127
Families First Act (FFCRA), Public Law 116-127

Paid Leave Requirements

- **Employer Size:** Fewer than 500
- **Effective:** April 1, 2020
- **Expires:** Dec. 31, 2020
Paid Leave Requirements

**Two weeks of emergency paid sick leave**

Employee Leave:

- Can’t work or telework due to quarantine or isolation, advice to quarantine, or COVID-19 symptoms.
- Regular Pay
  - Up to $511/day
  - Up to $5,110 over entire sick period
Paid Leave Requirements

Two weeks of emergency paid sick leave

Family Leave:

- Caring for quarantined individual, child due to school closure, childcare provider unavailable
- 2/3rds Pay
  - Up to $200/day
  - Up to $2,000 total over entire sick period
Families First Act (FFCRA), Public Law 116-127

Paid Leave Requirements

10 Weeks Emergency Family & Medical Leave

- School closure, job protections, exceptions for hardship
- Pay - ⅔ pay up to $200/day
Families First Act (FFCRA), Public Law 116-127

Paid Leave Requirements

Closure of Worksite

- Cancels paid leave requirement
- Employees likely eligible for UI

See DOL Guidance:

https://www.dol.gov/agencies/whd/pandemic/ffcraquestions (March 27, 2020)

https://www.dol.gov/sites/dolgov/files/WHD/Pandemic/FFCRA.pdf (April 1, 2020)
Refundable Payroll Tax Credits

- Applicable to Employer Share of Payroll Taxes
- Refundable: Leave costs exceeding payroll taxes owed will be refundable to the employer at the end of each quarter
- IRS Form 941
Loans for Nonprofits
Paycheck Protection Program

- 500 or fewer employees
- $2.5 \times \text{monthly payroll}
- Use for payroll, benefits, mortgage, utilities, debt

- Apply through local banks
- Available April 3 through June 30
- Loan forgiveness provisions
Loans for Nonprofits
Economic Injury Disaster Loans

Normal
- Who is eligible: private nonprofits
- Loan amount: $2m
- How to apply: SBA online
- Available: through Dec. 31
- not forgiven

Emergency grants
- Who is eligible: private nonprofits
- Loan amount: $10K in 3 days
- How to apply: SBA online
- Available: through Dec. 31
- $10,000 in 3 days
Loans for Nonprofits
Mid-size Business Loan Program

- **Who is eligible**: 500 - 10,000 employees
- **Loan amount**: unclear amount
- **Loan use**: retain 90% of staff
- **How to apply**: unclear
- **Available**: through Dec. 31
Above the Line Deduction

- $300 donation in 2020 tax year
- Lift AGI cap (for itemizers)
- Corporate donations
  - Raises cap to 25% of taxable income
  - Raises food donation cap to 25%
Employee Retention Tax Credit

- Refundable payroll tax credit
- $5K/employee/year
- Whole or partial shutdown, 50% drop in revenue
- PPP employers ineligible
- Advance payment of credit available using new IRS Form 7200
Payroll tax deferral

**Deferral**
Allows delayed payment of the employer portion payroll taxes in 2020

**Repayment**
- Half by 12/31/2021
- Half by 12/31/2022
Unemployment Insurance

Individuals
- waives waiting period, extends 13 weeks
- $600/week more than state benefit
- Uninsured - church employees - covered

Employers
- most held harmless
- Self-insured covered 50%
CARES Act, Public Law 116-136

Student Loans

- Forbearance through 9/30/20 automatic
- 0% interest rate through 9/30/20
- Wage garnishment and debt collection stopped
New York State & City Actions
New York State

Expanded Paid Sick Leave (A9506-B/S7506-B) *(not reimbursed)*

Employers with

- 10 or fewer employees + $1M income: 5 days
- 5-99 employees: 5 days
- 100+ employees: 7 days
- This definition includes domestic violence
New York City

Employee Grant Retention Program

- Deadline today
- Through SBS
- Cap of five employees

Existing Paid Sick Leave (*not reimbursed*)

- Employers with
  - Five or less employees five days unpaid
  - Five or more employees five days paid

[Website](https://www1.nyc.gov/site/dca/about/paid-sick-leave-law.page)
It is our understanding that Federal and State cannot be combined*, but City leave can be combined.

*Awaiting guidance from the State Labor Department
Questions

Please use the Q&A function
Further Resources & Support

**Loans:** [Loans Available for Nonprofits in the CARES Act](#)

**PPP Application:** [Paycheck Protection Program Application](#)

**Nonprofit Quarterly**

[How Nonprofits Can Utilize the New Federal Laws Dealing with COVID-19](#)

[Cutting Through the Jargon: How the CARES Act Works for Nonprofits](#)

[Analysis of the Families First Coronavirus Response Act](#), National Council of Nonprofits

[Initial Analysis of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act)](#)

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Thanks for joining us.