

**NONPROFIT
NEW YORK**

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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

Chai Jindasurat, Policy Director, Nonprofit New York

Doug Sauer, CEO and Michael West, Senior Attorney, New York Council of Nonprofits

David Thompson, Vice President of Public Policy, National Council of Nonprofits

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.

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

Resources

Resources

Pages

Nonprofit New York:

[COVID-19 Updates](#)

NYCON:

[COVID-19 Resources for Nonprofits](#)

National Council of Nonprofits:

[Nonprofits and Coronavirus, COVID-19](#)

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Our Best Understanding

Based on preliminary guidance

Details are changing by the hour

Not Legal or Financial Advice

Federal COVID-19 Phases

Congressional Action

Federal COVID-19 Phases

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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

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

Paid Leave Requirements

10 Weeks Emergency Family & Medical Leave

- School closure, job protections, exceptions for hardship
- Pay - $\frac{2}{3}$ pay up to \$200/day

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

CARES Act

Public Law 116-136

Loans for Nonprofits

Paycheck Protection Program

- 500 or fewer employees
- 2.5 x 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%

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 State & City Actions

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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

<https://www1.nyc.gov/site/dca/about/paid-sick-leave-law.page>

New York State & City Actions

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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

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.

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 \(CARES Act\)](#)

Thanks for joining us.

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