



COVID-19: What Economic Developers Need to Know

March 27, 2020



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Agenda

- Housekeeping: Chris Edgel
- Welcome: OEDA President Joy Davis
- COVID-19 Update and OEDA Response: Jennifer Price
- Matt Koppitch:
 - ✓ Stay at Home Order
 - ✓ HB 197
- Joelle Khouzam: Employment Law Implications and Federal/State Law Changes
- Chris Schmenk: Resources available for Businesses
- Q&A; Please submit questions



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WELCOME

Joy Davis, CEcD

President of the Board, Ohio Economic Development Association
Executive Director, Hocking County CIC



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COVID-19

RESOURCE CENTER

OEDA

Jennifer Price
Executive Director
Ohio Economic Development Association



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Matt Koppitch



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Stay at Home Order

Stay at Home: Two-Part Test

- Essential Business and Operations
- Read the Order
- DHS/CISA Guidance
- Use Common Sense
- Social Distancing
- Employer/Business Checklist

Is your business essential?

Can you operate under the order's safety guidelines?



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HB 197

- Permits public entities to hold meetings via electronic means
- One-time budget stabilization transfer
- Tax filing extension
- County Recorder operations (allow certain processes online)

COVID-19 Legislation

- Emergency Legislation addressing the COVID-19 pandemic



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Marie-Joëlle Khouzam



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Families First Coronavirus Response Act

- Effective “no later than April 2”, sunsets December 31
- Expansion of FMLA, but not replacement for FMLA. You STILL have to provide FMLA if someone isn’t eligible under FFCRA



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Big Differences from FMLA

- No 50–employee threshold
- No within 75–mile radius
- ALL employers with <500 employees!
- Possible carve–out for those under 50 – awaiting DOL regs



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Two components

- Paid emergency sick leave
 - Paid emergency family leave
-
- Eligibility and payment obligation is different for each!



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Paid emergency SICK leave

- 2 weeks (base on what is 2 weeks for that e'ee)
- Pro-rate for P/Ters
- No requirement to have worked even a day
- 6 reasons: 3 related to own health, 3 caregiver



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Emergency paid SICK – self

1. To comply with a federal, state or local quarantine or isolation order related to COVID-19, payable at the employee's full rate, capped at \$511 per day and \$5,110 in the aggregate.
2. To comply with a health care provider's recommendation to self-isolate because of concerns related to COVID-19. In this case, the employee is to be paid at their full rate, up to \$511 per day and \$5,110 in the aggregate.
3. To obtain a medical diagnosis upon experiencing symptoms of COVID-19, payable at the employee's full rate, capped at \$511 per day and \$5,110 in the aggregate.



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CDC:

- “quarantine” means separating and restricting the movement of people who were exposed to a contagious disease to see if they become sick
- “isolation” means separating sick people with a contagious disease from people who are not sick

Emergency paid SICK – caregiver

4. To care for or assist a family member who is subject to a quarantine order or has been advised by a health care provider to self-quarantine. In this case, the employer is to pay the employee two-thirds of the employee's rate, capped at \$200 per day and \$2,000 in the aggregate.
5. To care for a child if the child's school or place of care is closed due to COVID-19, payable at the rate of two-thirds of the employee's rate, capped at \$200 per day and \$2,000 in the aggregate.
6. If the employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and Secretary of Labor, payable at the rate of two-thirds of the employee's rate, capped at \$200 per day and \$2,000 in the aggregate.



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may not require that employees find a replacement to cover the time that they use paid sick leave as a condition of receiving or using the emergency paid sick leave.



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Emergency paid FAMILY leave

- 12 weeks of protected leave to employees who are unable to work (or telework) because they need to stay home to care for a child under age 18 whose school or childcare provider is closed or unavailable due to COVID-19.
- Must have worked for the employer for at least 30 calendar days.



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First 2 weeks, next 10 weeks

- No pay under this program during the first two weeks of leave
- but may use other applicable paid time off (PTO) benefits, including employer–provided benefits or, if eligible, the emergency paid sick leave under FFCRA.
- remaining 10 weeks: pay not less than 2/3 of the employee's regular rate of pay, with caps of \$200 per day or \$10,000 in the aggregate.



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Job restoration

- normal FMLA requirement following use of paid emergency leave is modified for employers with fewer than 25 employees
- Not required if the position no longer exists due to the effects of COVID but...
- Place e'ee on a 1-yr contact list and make reasonable efforts to offer an equivalent position

Variable hour employees

- average number of hours the employee was scheduled to work over the 6 months before leave.
- If the employee has worked less than 6 months, the leave entitlement is to be based upon “the reasonable expectation of the employee at time of hiring.”

Tax Credit

- 100% credit toward each calendar quarter of Social Security tax.
- If the cost of paid leave exceeds the tax credit, refund.



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Chris Schmenk



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Federal Aid:

- H.R.6074 – Coronavirus Preparedness and Response Supplemental Appropriations Act Coronavirus Aid, Relief, and Economic Security Act (CARES Act), passed by Congress and signed by President Trump March 6
- H.R. 6021 – the Families First Coronavirus Response Act



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Federal Aid:

- S. 3548 – Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
 - Expands eligibility for SBA 7(a) Loans of up to \$10 Million
 - Creates \$454 Billion loan fund for Treasury Department to make direct loans to businesses (airline industry, etc.)
 - Direct Payments to adults of \$1,200 or less and \$500 per child (\$3,400 for a family of four). The amount phases out based on earnings of between \$75,000 and \$99,000 (\$150,000 / \$198,000 for couples).
- IRS: Deadlines for filing taxes and any payments of due federal income tax have been delayed until July 15th, 2020



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State Assistance:

- New Programs:
 - Suspension of one-week unemployment waiting period for filing of unemployment claims
 - Health insurance premium deferrals
 - Workers compensation premium deferrals
 - PUCO requiring utilities to review/suspend disconnect orders



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State Assistance:

➤ Existing Programs

- SharedWork Ohio: JFS provides an unemployment insurance benefit proportionate to reduced employee hours, allowing workers to remain employed and employers to reduce costs
- Rapid Response Team/WARN: assists employers with layoffs; includes assistance with the WARN Act (federal requirement requiring employers to provide written notice at least 60 calendar days in advance of mass layoffs and plant closings)



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Other Resources:

- JobsOhio:
 - COVID-19 Resources Website: <https://www.jobsohio.com/ohio-safe-ohio-working/>
 - Six-Month Deferral of Payment on JobsOhio Loans
 - Liquor buy-back program (restaurants/bars)
 - Industry best practices
- Ohio Department of Health:
<https://coronavirus.ohio.gov/wps/portal/gov/covid-19/>
- OSHA Guidance on Preparing Workplaces for COVID-19:
<https://www.osha.gov/Publications/OSHA3990.pdf>



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QUESTION & ANSWER



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