

GCP Advocacy: COVID-19 Daily Update



March 20, 2020 – 9:30 a.m.

Please note many of the resources and updates below are evolving rapidly.

Resources

Ohio Small Businesses Now Eligible: SBA Economic Injury Disaster Loans

Thanks to a concerted effort by the state of Ohio and the U.S. Small Business Administration Ohio small businesses are now eligible for SBA's Economic Injury Disaster Loans. Please see below for more information:

- Low-interest loans of up to \$2 million are available for small businesses and private non-profits.
- Loans may be used to pay fixed debts, payroll, accounts payable and other bills and have repayment options of up to 30 years.
- Interest rates are 3.75% for small businesses and 2.75% for private non-profits.
- Need help filling out the application? [Access these step-by-step instructions](#)

Click [HERE](#) to apply now.

To expedite the application process, applicants should have ready complete copies of their most recent federal income tax return and a completed and signed [IRS Form 4506T](#), which authorizes the release of tax information. Additional information to have available would be a schedule of liabilities, personal financial statement, monthly sales figures, a current year-to-date profit-and-loss statement, and a year-end profit-and-loss statement and balance sheet for that tax year if the most recent federal income tax return has not been filed.

Updates

State Updates

- The Ohio Department of Health (ODH) said in its daily coronavirus update that it had confirmed 119 cases, up from 88 Wednesday, with cases reaching 24 counties and resulting in 33 hospitalizations.
- Ohio Senate Minority Leader Yuko stated, "We are working on legislation that will help Ohioans get through this time. We are looking forward to working across the aisle to get relief to Ohioans as soon as possible."
- Ohio House Speaker Larry Householder sent a memo to House members Thursday saying lawmakers are working with DeWine on a number of items "that should be addressed next week in order to better assist local, county and state government on issues related to the coronavirus."
- BWC Administrator/CEO Stephanie McCloud stated yesterday that the Ohio Bureau of Workers' Compensation is working to relax as many standards as they can, including certain employer deadlines, to provide businesses with "grace periods" due to coronavirus.
- Per the Ohio Attorney General and via this [Cleveland.com](#) article, [ignore scams and online ads promoting coronavirus cures](#).
- [Ohio Supreme Court chief justice calls for 'uniform buy-in' among judges in response to coronavirus pandemic](#)

- Ohio Governor Mike DeWine announced that [he has signed an executive order](#) to expand and enhance telehealth options for Ohio Medicaid recipients and their providers amid the coronavirus outbreak. These rules relax regulations to allow recipients to safely access health care providers from their homes, thereby reducing the risk of COVID-19 infection for patients, families, and health care workers.
- Governor DeWine also announced internet cafes will be ordered to close; [an update on day cares is expected Friday](#).
- California's Governor has ordered residents to stay home; the Pennsylvania Governor has ordered Pennsylvania [businesses that aren't 'life-sustaining'](#) to close.

Federal Updates

Senate Unveils Third Relief Package; Talks Continue Today

Senate Majority Leader Mitch McConnell unveiled an expansive economic relief package on Thursday as Congress considers a third legislative measure in an effort to combat the coronavirus crisis that is gripping the nation and could plunge the country into recession.

McConnell's package, a 247-page bill, was released after consultations with Senate Republicans and is centered around direct cash payments to families, payments to small businesses, loans to industries decimated by the virus, and increased funding for the healthcare industry. Talks between the GOP and Senate Democrats are expected to start today; a bill needs 60 votes and bipartisan support to move forward.

The package would provide direct cash payments to individuals; defer payroll taxes paid by employers; provide loans secured by company assets for airlines and other impacted industries; boost payments to hospitals, provide assistance to small businesses, implement tax changes for individuals and businesses, etc. Leader McConnell acknowledged the package was subject to change as negotiations progress with the House, Senate Democrats, and the White House.

You can read subject-to-change highlights of the proposal below:

Proposal Highlights:

- The bill would **provide direct payments to individuals** of about \$1,200 per person or \$2,400 for married couples filing jointly, with \$500 extra per child, at a cost of \$273 billion
- The proposal would provide \$300 billion in **loans to small businesses**, defined as 500 employees or less. The maximum loan would be \$10 million, and each loan would be tied to an applicant's average monthly payroll mortgage, rent, utility payments, and other debt obligations over the previous year
- The package would provide **additional aid to the health care industry** with a focus on increasing the number of hospital beds and respirators.
- The package would provide some **financial relief to college students** by allowing the Secretary of the Department of Education to defer student loan payments for three months without any penalty to the student, and for an additional three months if the secretary deems it necessary.
- For employers, language in the bill would **ease small-business paid leave mandates** in separate legislation, HR 6201, the President signed into law Wednesday night.
- The package includes several **tax measures for individuals and businesses**, including
 - Waiving early withdrawal penalties for taking money out of retirement accounts

- Creating a special deduction for up to \$300 in charitable donations for taxpayers who don't itemize.
- Letting companies defer paying the 6.2 percent Social Security payroll tax, which applies to wages up to \$137,700 this year. Instead, companies could pay half of that tax next year and the other half in 2022.
- Allowing companies to "carry back" net operating losses incurred in 2018, 2019 or 2020 to offset taxes paid over the past five years when they were profitable generating a refund from the IRS
- Letting unprofitable companies generate bigger refunds from alternative minimum tax credits built up over prior years, to use instead of write-offs for equipment expenses that are only good for reducing taxable income
- Raising the limit on businesses' deductions for interest payments to 50 percent of income through the end of the year.

House Democrats are indicating they want to go bigger and broader than the already-massive economic stimulus package offered by Senate Republicans to blunt the coronavirus pandemic.

More Federal News

The President held his daily press conference yesterday and made several announcements related to the COVID-19 pandemic.

The announcements included:

- The President standing with Dr. Stephen Hahn, the Food and Drug Administration commissioner; Dr. Deborah Birx, the White House coronavirus response coordinator; and Jerome Adams, the surgeon general, repeated an announcement from earlier this week that human testing on a vaccine trial had begun in phase one. The President said that the government would be pursuing more antiviral therapies to treat the virus.
- The President announced that a common malaria drug, Hydroxychloroquine, was approved by FDA to treat COVID-19 by prescription and has shown encouraging results to date. Lab studies have indicated that the drug could keep the virus from invading human cells.
- On testing, VP Mike Pence said that tests were available in all 50 states, but that more would be available soon. Dr. Birx said that a large backlog of pending tests would be released in the next two to three days. The President later said in the question and answer portion of the press conference that people should rely on doctors' recommendations on whether they should receive a test.
- On medical supplies, the VP said companies including Honeywell and 3M would increase "by the millions" the number of available N-95 masks for healthcare workers, and said that the government was working to increase the number of ventilators that could be stockpiled to assist the patients with severe cases of the virus.
- The President touted the second stimulus package he signed after the U.S. Senate's passage yesterday, while looking ahead to the work with the U.S. Senate on the \$1 trillion+ package to come.
- Department of Defense will make 5 million respirator masks and 2000 ventilators available for use.
- FEMA is activated in every region at the highest level.
- Vice President Mike Pence said that he and the president would meet by teleconference with the nation's governors later in the day at FEMA headquarters.

Local Updates

- Per Cleveland.com, [Mayor Frank Jackson is to propose relief for small businesses struggling with economic impact of coronavirus.](#)
- Cuyahoga County has decided to suspend new foreclosures and defaults on delinquent property tax payments for at least 60 days. The county also announced two other coronavirus-related actions: It will not file default notices for at least 60 days against anyone who fails to pay, or pays late, on delinquent property tax agreements for at least the next 60 days. And it will suspend delinquent property tax collections for at least 60 days for property owners who use coupons, advance payments through EasyPay, and Automatic Clearing House (ACH) payments.
- Coronavirus prompted Cleveland, Cuyahoga and Summit counties, communities to restrict services, but adjustments are being made. For more information, [see this recent Cleveland.com article.](#)