

May 13, 2020 – 9:00 AM

Please note resources and updates are evolving rapidly.

Resources

- The Federal Reserve Board on Tuesday announced additional information regarding borrower and collateral eligibility criteria for the Term Asset-Backed Securities Loan Facility (TALF).
 - The facility was announced on March 23 as part of an initiative to support the flow of credit to U.S. consumers and businesses.
 - To help ensure that U.S. consumers and businesses remain able to access credit at affordable terms, TALF initially will make up to \$100 billion of loans available.
 - [Click here for more information.](#)
- With steps underway to speed Economic Impact Payments, the Treasury Department and the Internal Revenue Service urged people to use [Get My Payment](#) by noon today, for a chance at quicker delivery.
 - Stay informed with Economic Impact Payment FAQs and social media platforms - taxpayers should check the Frequently Asked Questions ([FAQs](#)) for more information.
- On Tuesday, the Internal Revenue Service issued [proposed regulations](#) under the Tax Cuts and Jobs Act (TCJA) that provide guidance to taxpayers and governments with respect to fines, penalties and certain other amounts.
- The U.S. Department of Labor today issued targeted guidance and reminders that provide states with details regarding required integrity functions for their regular unemployment compensation programs, as well as those authorized by Pandemic Unemployment Assistance, Federal Pandemic Unemployment Compensation and Pandemic Emergency Unemployment Compensation of the Coronavirus Aid, Relief and Economic Security (CARES) Act, in [UIPL 23-20](#). The guidance aims to help states guard against fraud and abuse of their unemployment insurance systems.
- JobsOhio and the Ohio Department of Commerce's Division of Liquor Control announced they will offer a one-time rebate to bars and restaurants to defray the cost of restocking high-proof spirituous liquor.
 - Beginning in mid-May, JobsOhio will provide a \$500 rebate in high-proof spirituous liquor to eligible permits for purchases made through Ohio Liquor Contract Liquor Agencies. Permit holders must register to be eligible for rebate.
 - There are more than 13,600 eligible permits in Ohio, totaling \$6.8 million in potential rebates available to bars and restaurants.
 - To view qualifying permits and to register for the liquor rebate program, visit [Wholesale.OHLO.com](#).

State Updates

- The Ohio Department of Health reported Tuesday that cases of coronavirus increased by 473 and deaths increased by 79 from Monday, reaching respective totals of 25,250 and 1,436.
 - A total of 216,290 coronavirus tests have been conducted in Ohio.

- In case you missed it, Lt. Governor Husted announced that sectors licensed by the State Medical Board of Ohio, including massage therapy, acupuncture, cosmetic therapy will be permitted to reopen on May 15 with the implementation of proper safety measures.
 - The full list of mandatory and recommended best practices is [here](#).
- Tattoo and body piercing services will also be permitted to reopen on May 15 with the implementation of proper safety measures.
 - The full list of mandatory and recommended best practices is [here](#).
- A list of members of the advisory groups who are in charge of developing statewide guidelines for gyms is listed [here](#) and outdoor recreation is [here](#).
- From the Governor's Office here are five protocols for all businesses:
 - Require face coverings for employees and recommend them for clients/customers at all times.
 - Conduct daily health assessments by employers and employees (self-evaluation) to determine if "fit for duty."
 - Maintain good hygiene at all times – hand washing, sanitizing and social distancing.
 - Clean and sanitize workplaces throughout workday and at the close of business or between shifts.
 - Limit capacity to meet social distancing guidelines.
 - Establish maximum capacity at 50% of fire code.
 - And, use appointment setting where possible to limit congestion.
- The Ohio Department of Health plans to screen 1,200 residents in their homes for the virus through a nasal swab test and through an antibody blood test.
 - Screening may start as soon as next week.
 - Selected households will receive a postcard and a letter in the mail.
 - Participation is voluntary and recipients may opt out by phone or email or decline to participate when the state workers arrive.
- The Ohio Department of Health is looking to fill open "contact tracing" jobs, part-time health workers who will help investigate small coronavirus outbreaks to try to prevent them from spreading.
 - The first is a [contact tracer position](#) and the second is a [supervisory job](#).
- With the joblessness accompanying the coronavirus pandemic, more Ohioans are turning to Medicaid for health coverage with approximately 3 million people now on Medicaid.
 - "We had an increase in the number of people by about 140,000 from the end of March until the end of April," said Ohio Medicaid Director Maureen Corcoran.
- Senate President Larry Obhof announced Tuesday the return of \$1 million from the Ohio Senate's Fiscal Year 2020 budget to the state's General Revenue Fund, as part of a plan to offset state revenue shortfalls and reduce government spending during the COVID-19 pandemic.
 - This figure is more than 20% of the Senate's remaining appropriation for Fiscal Year 2020."
 - The reduction is from the Senate's budget for FY2020 and will be returned to the state's General Revenue Fund when the fiscal year ends on June 30.

- On Wednesday, SB 308, sponsored by Senator Matt Huffman will receive its second hearing; the bill seeks to revise the law governing immunity from civil liability and amendments and a possible vote have been scheduled for Senate Judiciary Committee.
 - The Senate could pass the amended version of the bill on the Senate floor this afternoon.
- The health care industry, businesses and individuals would receive further protection from civil liability for COVID-19 transmission under similar legislation; the substitute version of HB 606, was accepted by the House Civil Justice Committee on Tuesday.
 - The bill will receive another hearing on Wednesday, but may not receive a vote during that meeting.

Federal Updates

- Dr. Anthony Fauci, the administration's top infectious disease expert, warned the U.S. Senate yesterday that states should not reopen faster than White House guidelines.
- The \$3 trillion economic rescue bill that the House Democrats unveiled yesterday would make major changes to small business loan programs. The text of the HEROES Act, H.R. 6800, is [here](#).
 - A one pager on the legislation is [here](#).
 - A section-by-section summary is [here](#).
 - A resource on the state and local relief provisions is [here](#).
 - The House Small Business Committee circulated factsheets on the small business provisions in The Heroes Act, click [here](#) and [here](#).

The bill would make several adjustments to the Paycheck Protection Program (PPP), which offers low-interest loans that can be forgiven if borrowers agree to maintain their payrolls. The revisions would expand the universe of organizations able to receive the loans and limit the Trump administration's ability to restrict how the loans are used.

Among the provisions in the bill is one that would allow nonprofits of any kind to apply for Paycheck Protection Program loans. While the idea has bipartisan support, it will likely also create controversy because it would open-up the program to 501(c)(6)s, which include business trade associations.

Another measure would prevent the Small Business Administration (SBA), which runs the program, from limiting the portion of the loans that can be spent on non-payroll costs if borrowers want the loans forgiven. The SBA and the Treasury Department decided at the outset of the program that businesses could spend no more than 75 percent of the forgivable amount of the loans on expenses outside of payroll. Some businesses are concerned that the cap is too onerous. Treasury Secretary Steven Mnuchin has refused to ease the requirement on his own but says he's open to working with Congress on that.

Addressing another criticism from businesses, the bill would give borrowers 24 weeks to spend loan funds, an increase from the current eight weeks set now.

The bill would not appropriate new funding for the program, but it includes carve-outs for nonprofits and small businesses with fewer than 10 employees, as well as a set-aside for community financial institutions.

In addition, the bill includes \$10 billion for Economic Injury Disaster Loan grants.

The House plans to vote on the bill this Friday.

- "This is not a time for aspirational legislation, this is a time for practical response to the coronavirus pandemic," Senate Majority Leader Mitch McConnell told reporters after the House bill was released.
 - Senate Republicans are privately putting together possible priorities of their own for the next COVID-19 relief package, which some believe will set the stage for a bill to be passed this summer.
 - Issues Senate Republican may want to address include: a litigation shield for businesses that reopen as the pandemic carries on and a reform of beefed-up unemployment benefits that Congress approved in March.
- A group of legislators including Representative Marcy Kaptur and Representative Anthony Gonzalez want upcoming coronavirus relief packages to include help for the auto industry.
 - They sent a letter Tuesday that asked Republican and Democratic leaders in the U.S. House of Representatives to ensure "that American workers in the automotive industry can help drive a robust recovery."
- Representatives Anthony Gonzalez, Dave Joyce, and Brad Wenstrup introduced a bi-partisan bill on Tuesday to help small businesses, those that are unable to fully reopen in the coming weeks.
 - The Promoting Flexibility for Small Business Owners Act would provide restaurants, retailers, and other similar businesses with more time to meet the requirements to receive full forgiveness of their Paycheck Protection Program (PPP) loan.
- Treasury Secretary Steven Mnuchin on Monday encouraged states "that have cash flow issues" to take advantage of low interest rates and borrow money to cover revenue lost due to the coronavirus pandemic.

Local Updates

- No date has been announced for the reopening of Cuyahoga County buildings, but when they do open visitors will have their temperatures taken and be required to wear masks, County Executive Armond Budish said Tuesday.
- The Greater Cleveland Regional Transit Authority expects fare collections for 2020 to be down \$22.1 million from the \$41.4 million previously budgeted.
 - RTA may experience a 41 percent drop in sales tax revenue, or \$90.9 million, for the year.
 - The federal CARES Act carved out aid for transit authorities and \$111.8 million of that is earmarked for the Greater Cleveland RTA.
 - Over the next several months RTA may cut expenses by more than \$22 million, including salaries, overtime, fuel, utilities and other areas; there have been no furloughs or layoffs.
 - RTA also postponed fare increases that were part of a multi-phase plan originally adopted in 2016.
 - Rapid fare increases have been pushed to 2021 and the next paratransit fare increases were postponed to 2021 and 2022, despite the agency projecting lost revenues due to the coronavirus crisis.

- The Cuyahoga County Public Library unveiled a phased plan Tuesday to reopen about half of branches in June in a limited capacity.
 - The proposal would allow patrons on June 1 to pick-up books and other materials from 13 branches – 11 open for drive through service, two open for curbside service