



Legislative Update

July 27, 2020

U.S. Department Of Labor Publishes Additional Guidance for Workers, Employers as America Returns to Work

The U.S. Department of Labor's Wage and Hour Division (WHD) announced additional guidance to provide information to workers and employers about how the requirements and protections of the [Fair Labor Standards Act \(FLSA\)](#), the [Family and Medical Leave Act \(FMLA\)](#), and the [Families First Coronavirus Response Act \(FFCRA\)](#) impact the workplace as America continues to reopen. The new guidance provides plain-language questions and answers addressing critical issues under all three laws.

This guidance published today adds to a growing list of compliance assistance materials published by WHD, including a Fact Sheet for Employees, a [Fact Sheet for Employers](#), and a [Questions and Answers](#) resource about paid sick and expanded family and medical leave under the [FFCRA](#). Available guidance also includes two posters, one [for federal workers](#) and [one for all other employees](#), that fulfill notice requirements for employers obligated to inform employees about their rights under the FFCRA. The guidance also includes [Questions and Answers](#) about posting requirements and simple [Quick Benefits Tips](#) to determine how much paid leave workers may take under the FFCRA.

WHD provides additional information on common issues employers and employees face when responding to COVID-19 and its effects on wages and hours worked under the Fair Labor Standards Act and job-protected leave under the Family and Medical Leave Act at <https://www.dol.gov/agencies/whd/pandemic>

For more information about the laws enforced by the WHD, call 1-866-4US-WAGE or visit www.dol.gov/agencies/whd.

Bipartisan Recovery Fund Legislation Will Help Save

American Businesses, Jobs, And Communities

Small business organizations applaud the effort by Representatives Filemon Vela (D-TX-34) and Lance Gooden (R-TX-05) to establish a fund that would provide stability to American businesses as the country continues to grapple with the COVID-19 pandemic.

We wholeheartedly endorse and support the legislation introduced by Representatives Vela and Gooden to establish the Small Business Recovery Fund. In this bill, we finally have a vehicle to cultivate a sustainable economic recovery. By prioritizing the hardest-hit businesses and with greater flexibility in how the money can be used, the Recovery Fund will help fill the gaps left by earlier programs and give business owners the immediate relief and certainty needed to keep their doors open.

As repeated shutdowns and rollbacks of reopening plans continue to disrupt the economy, this legislation will provide the stability that Main Streets across America so desperately need. We thank Representatives Vela and Gooden and call on Congress to pass the Small Business Comeback Act now. The longer we wait, the more costly - and perilous - inaction becomes.

Through a direct grant program with strong oversight and anti-corruption guardrails, the Small Business Comeback Act would allow businesses to retain and rehire employees, continue to provide benefits including health care, pay rent, local, and state taxes, and meet certain debt obligations. This will allow businesses to weather the pandemic, keep American workers employed, and preserve the health and livelihoods of communities across the United States, regardless of business structure or employment type.

Recovery Fund 101

The Small Business Recovery Fund would provide federal grants for operational expenses to help businesses reopen and stay open as they navigate a new normal. The fund will include anti-abuse mechanisms and strict federal oversight.

1. Businesses apply for a grant online through an easy-to-access form, entering data on operating costs and revenue from March 1 to application date.
2. The decision is nearly instant and distributed quickly, helping businesses recoup lost revenue due to social distancing and forced shutdowns.
3. Funds would help cover essential operating expenses including rent, utilities,

payroll, and state and local taxes to give businesses financial certainty and confidence to reopen.

IRS is Sending Letters to Those Experiencing a Delay With Advance Payment of Employer Credits

The Internal Revenue Service has started sending letters to taxpayers who have experienced a delay in the processing of their [Form 7200](#), Advance Payment of Employer Credits Due To COVID-19.

A taxpayer will receive letter [6312](#) if the IRS either rejected Form 7200 or made a change to the requested amount of advance payment due to a computation error.

The letter will explain the reason for the rejection or, if the amount is adjusted, the new payment amount will be listed on the letter.

A taxpayer will receive letter [6313](#) if the IRS needs written verification from a taxpayer that the address listed on their Form 7200 is the current mailing address for their business. The IRS will not process Form 7200 or change the last known address until the taxpayer provides it.

For more information on the employer credits, see [Employer Tax Credits](#).

PPP Forgiveness Coalition Update

Senate Democrat offices are expressing interest in the bill and understand the need for a simplified forgiveness process.

In the House, Cong. Houlahan and Cong. Upton are still awaiting leg council to review and send them bill language, apparently leg council is still dealing with the backlog from the high number of NDAA amendments. In the interim, both offices plan on sending to House offices a Dear Colleague and section-by-section outlining the bill and asking for members to cosponsor. We will pass along more information when we get updates from our House sponsors.

Talking Points for: S. 4117 - "The Paycheck Protection Program Small Business Forgiveness Act":

- The current PPP forgiveness application and guidance issued by Treasury

and SBA outlining the forgiveness process is overly complex.

- It is apparent that the process will be unnecessarily burdensome for many businesses, particularly the smallest of small businesses that do not have the administrative support needed to complete the form.
 - In order to help these businesses, Congress should pass S. 4117, "The Paycheck Protection Program Small Business Forgiveness Act" sponsored by Senator's Cramer, Menendez, Tillis and Sinema.
 - This legislation forgives PPP loans of less than \$150,000 upon the borrower's completion of a simple, one-page forgiveness document.
 - This threshold would account for 86 percent of total PPP recipients, but less than 27 percent of PPP loan dollars. Lenders would continue to meet the PPP requirements provided by SBA for these loans, but the loan forgiveness process would be faster for these small businesses.
 - Small businesses and their employees are the backbone of our nation's economy and communities. Their time and resources would be better focused on getting the economy safely back up and running, not processing overly complicated paperwork.
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