



Labor & Employment Issues Client Alert

Pitta LLP
For Clients
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**“We believe in the ideas of family, mutuality,
the sharing of benefits and burdens
for the good of all, feeling one another’s pain,
sharing one another’s blessing
recognizing that at the heart of the matter
we are bound to each other.”**

-Mario M. Cuomo-

UPDATE: FEDERAL RESERVE ANNOUNCES THE EXPANSION OF MAIN STREET PROGRAM

On June 8, 2020 the Federal Reserve announced it was changing the terms of the Main Street Lending Program (“MSLP”) to promote greater participation. The Federal Reserve will be lowering the initially stated minimum loan, raising the maximum that can be borrowed, and expanding the loan terms to five years.

Banks, business advocacy groups, and financial analysts had warned that the MSLP was failing to provide the desired economic relief to struggling businesses. The MSLP was included in the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act to provide access to loans and liquidity to small-and-medium-sized businesses hurt during the COVID-19 pandemic.

Under the new guidelines of the MSLP, the minimum loan amount will be \$250,000, half the amount under previous versions of the plan. The maximum will now vary by lending facility but could be up to \$300 million from the previous \$200 million.

The Federal Reserve also extended the repayment period from four years to five years and will delay the repayment period to two years from the original one year. In addition, interest is also delayed for one year. Lenders will now assume just 5% of the loans, with the Federal Reserve holding the rest as an incentive for banks to provide loans to businesses.

This is a link to new guidance from the Federal Reserve for the [MSLP](#).

UPDATE: NYC HOSPITALS TO RESUME ELECTIVE SURGERIES AND AMBULATORY CARE AND STATE OPENS NEW COVID-19 TESTING SITES

On June 8, 2020 Governor Andrew Cuomo announced that New York City is now eligible to resume elective surgeries and ambulatory care. Previously, only 19 hospitals in New York City received a waiver to perform nonemergency surgeries.

The Governor also announced the state is opening 14 new temporary testing sites at churches in communities that have been particularly impacted by COVID-19. The state partnered with Northwell Health and SOMOS Community Care to provide the COVID-19 testing. This is a link to find a [testing location](#).

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