



Labor & Employment Issues Client Alert

Pitta LLP
For Clients
June 4, 2020 Edition



**“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-

AS NEW YORK STATE MOVES TO REOPEN, WORKERS COMPENSATION ISSUES COME TO THE FOREFRONT

With all of New York’s regions either open for business or readying to open, the State Workers’ Compensation Board released guidance with Questions and Answers (“Q&A”) to issues that may arise from COVID-19.

On June 8, 2020 New York City will join the rest of the state in Governor Andrew Cuomo’s NY Forward plan. Next Monday, the following Phase 1 non-essential industries will open in New York City: Construction, Agriculture, Forestry, Fishing and Hunting, Retail – (Limited to curbside or in-store pickup or drop-off), Manufacturing, and Wholesale Trade. The State’s other regions have moved into or are preparing to move into Phase 2.

To assist workers during the reopening, the Workers’ Compensation Board provided [Q&As for COVID-19](#) related topics including:

- Can a worker receive workers’ compensation if they get COVID-19 while working?
- What benefits are available to workers?
- Which work environments are more likely to result in COVID-19 claims?
- What information is needed to show that a COVID-19 claim is work-related?
- How does a worker file a claim?

SENATE PASSES PPP FLEXIBILITY LOAN LEGISLATION

On June 3, 2020 the United States Senate passed H.R. 7010 the Paycheck Protection Flexibility Act of 2020 (“the Act”) that will provide recipients of the Paycheck Protection Plan (“PPP”) loans from the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act and subsequent COVID-19 economic relief legislation more time to use the loan proceeds. The House of Representatives passed the Act last week. The ACT will now be presented to President Donald Trump for signature. President Trump has indicated that he supports the legislation.

The Act will allow businesses 24 weeks – instead of 8 to spend the money that they received from the PPP and lowers the threshold of the loan that must be spent on payroll to 60 percent from 75 percent in order to have the loan forgiven. The legislation also allows tax deferral for recipients and extends a two-year deadline for the balance of loans that are not forgiven.

The restaurant industry, not-for-profits and other business groups heavily lobbied Congress to make the change. They argued that 8 weeks was not enough time to spend the proceeds from the loans given that COVID-19 has forced businesses to close longer than anticipated when the PPP was created in the CARES Act in late March.

Senate Minority Leader Charles Schumer said “currently, workers may be brought for the eight weeks, but what good is it if they’re laid off at the end of that short period? It’s unrealistic.”

A copy of the legislation is available [here](#).

FEDERAL RESERVE GIVES MTA ACCESS TO \$500B TO REFINANCE DEBT

On June 3, 2020 the Federal Reserve provided the Metropolitan Transportation Authority (“MTA”) access to a \$500 billion lending pool to refinance debt. Senator Minority Leader Schumer announced that he struck the deal with Federal Reserve Chairman Jerome Powell and Secretary of Treasury Steve Mnuchin.

Since the outbreak of COVID-19 ridership on the New York City subways and MTA commuter lines have plummeted which has caused the MTA fiscal distress. The MTA reported that it expects to lose between \$7 billion and \$8.5 billion.

Senator Schumer said, “we must continue to invest in sustaining our mass transit system because a vibrant bus, subway and commuter rail network is fundamental to recovering from this crisis and rebuilding our economy and across the country.”

NASSAU COUNTY TO OFFER PPE STARTER KITS TO SMALL BUSINESSES

Nassau County began accepting applications from small businesses for personal protection equipment (“PPE”) starter kits which will include 400 face masks, 100 pairs of gloves, two gallons of hand sanitizer, one no-contact digital forehead thermometer, five face shields and 1,800 sanitary wipes.

To be eligible for the program, small businesses must have been open for at least one year, have 20 or fewer employees and gross revenue of less than \$3 million. The PPE kits will be distributed on the week of June 15. It will be available to the first 1,000 eligible businesses. An application to the PPE kits is available at: www.boostnassau.net.

Nassau County Executive Laura Curran said, “PPE is critical to getting people back to work safely and building confidence among customers, employees and community as a whole.”

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