



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-

HOUSE PASSES BILL TO EASE RESTRICTIONS ON PPP LOANS

On May 28, 2020 the United States House of Representatives passed H.R 7010 the “Paycheck Protection Program Flexibility Act of 2020.” The Paycheck Protection Program (“PPP”) has provided \$670 billion in loans to small businesses that can be forgiven in exchange for maintaining employees in their payrolls.

Many small businesses complained that some of the PPP loan restrictions threatened their ability to secure loan forgiveness, since for many overhead costs are a bigger burden than payroll. Under the terms of the PPP program businesses have 8 weeks to spend the money and at least 75 percent of the loan must be spent on payroll for it to be forgiven.

H.R. 7010 provides small businesses seeking full loan forgiveness 24 weeks to spend the loan proceeds. The legislation also lowers the minimum amount that must be spent on payroll to 60 percent.

H.R. 7010 passed the House of Representatives by a vote of 417-1. Last week a bi-partisan group of Senators agreed to a bill with a narrower set of flexibility measures but was not able to secure unanimous consent to pass it before the Memorial Day recess. This is a link to the text of [H.R. 7010](#).

GOVERNOR CUOMO SIGNS “NO MASK – NO ENTRY” EXECUTIVE ORDER

As the economy starts to re-open in most regions in New York, Governor Andrew Cuomo signed Executive Order 202.34 that allows businesses to refuse services to anyone that doesn’t wear a face mask. Store owners will have the authority to decide whether their patrons must wear a mask or face coverings to enter the store. This is a link to the [Executive Order](#).

The Governor said that “people have a right to jeopardize their own health” however, he noted that “people don’t have a right to jeopardize other people’s health.”

The Executive Order comes at the heels of the State Legislature working to pass a bill that will undo a law from the 1800s that made it illegal for people to wear masks when they gather in public or loiter. New York State Attorney General noted the conflict of law last month and recommended a repeal.

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