



Surviving the Financial Crisis - COVID-19

What Every Employer Needs to Know

Click on each title to link to additional information

Federal Laws & Programs

[Families First Coronavirus Response Act](#)

- An expansion of the Family and Medical Leave Act (FMLA)
- Applies to companies with 50–500 employees (some exceptions exist)
- Changes apply after first ten days of sick leave
- Quarantined employees get 2 week's pay at full pay rate
- Other reasons, such as caregiver requirements, get paid at 2/3 pay rate (caps exist)
- After two weeks, applicable persons can be paid at 2/3 rate up to 10 more weeks
- IRS will reimburse for wages, payroll taxes and benefits
- Expires 12/31/20

[IRS](#)

- 2019 tax filing/payment deadline has been moved back to July 15, 2020
- New tax credits for providing sick leave. Pays 100% of wages and healthcare benefits costs. Can be applied for immediately.
- Employer share of payroll taxes are deferred until the end of 2020. 50% due on 12/31/21 and the other 50% due on 12/31/22

[Paycheck Protection Program](#)

- Designed to keep employees employed
- 100% federally guaranteed loans to small businesses
- Applies to for-profit and non-profit entities with less than 500 employees (exceptions exist)
- Loan amounts can be 2.5x average monthly payroll costs. (Can't exceed \$2 million)
- Pay per employee is capped at \$100,000
- Some, or all of this loan may be forgiven. Loan is forgiven only on amounts spent in the eight weeks after the loan.
- Additional guidance is still being provided

[Employee Retention Credit](#)

- Refundable payroll tax credit for 50% of wages paid from 3/13/20 through 12/31/20.
- Credit is based upon payroll taxes paid
- Credit is capped on the first \$10,000 of payroll per employee during applicable period



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Small Business Administration Loans

Check your business insurance first. Do you have interruption insurance that applies?

SBA Emergency Economic Injury Disaster Loans (EIDL Grants)

- For companies suffering economic injury
- Funds may be used for fixed debts, payroll, Accounts Payable and other reasons
- Up to \$2 million at 3.75%
- No personal guaranty
- Up to 30-year repayment schedule
- Advance of up to \$10,000 available in three business days

SBA Express Loans

- Can be used for a variety of business purposes
- Maximum loan amount is \$1 million at a variable interest rate
- SBA guarantees 50% of loan; other guarantees may be required
- Loan can be a term loan or a line of credit
- 36-hour application turnaround time
- Funds available within 90 days



Maryland State Laws & Programs

Shared Work Program

- Allows employers to decrease hours of work while granting partial UI benefits to employees with reduced hours
- Employees receive the percentage of UC benefits as the percentage of work decreases

Maryland Small Business COVID-19 Emergency Relief Manufacturing Fund

- \$5 million incentive program to help manufacturers produce personal protective equipment and “critical needs” items
- Grants of up to \$100,000 will be made available to manufacturers to 1) increase existing capacity to produce these critical need items or 2) quickly pivot operations to produce these critical need items

Cecil County’s COVID-19 Small Business Emergency Micro Grant Program

- Provides front funded micro grants up to \$10,000 to support certain small businesses countywide (25 FTE employees or less) that have been impacted by COVID-19
- Grants to be used for working capital to support payroll, rent/mortgage, utility or other similar expenses

Montgomery County COVID-19 Economic Relief Act

- Public Health Emergency Grant Program
 - up to \$75,000 in grant funding to businesses or non-profits with 100 or fewer FTE employees; funding must be used for employee wages and benefits, taxes, debt, rent or other operating losses due to COVID-19
- \$2,500 microgrants also available for local businesses and nonprofits covering teleworking equipment and technology costs

Prince George’s County Business Relief Fund

- \$2.5 million program offers grants to provide working capital for Prince George’s County based small businesses with operations that have been interrupted due to COVID-19
- Grant assistance provides up to \$10,000 to for-profit businesses meeting the Small Business Administration definition

On-The-Job Training

- Provides 50% wage reimbursement for eligible new hires for up to 6 months
- Dependent upon local approval

Other Guidance

- Top SBA lenders in Maryland are M&T, Wells Fargo, TD Bank, PNC Bank, BB&T, First Home Bank, Independence Bank