Oregon Farm Bureau Federation
General Business Information for COVID-19

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COVID-19 GENERAL BUSINESS GUIDANCE FOR EMPLOYERS:

Oregon Employment Department:
- OED provides this landing page to provide general guidance to employers, workers, and job seekers who may be impacted by the COVID-19 virus.
- OED has published these Temporary Rules for Unemployment Insurance Benefits Flexibility on their landing page, setting out unemployment insurance provisions applicable to the unique situations arising due to COVID-19 and the actions to slow its spread.
- This chart highlights whether certain benefits apply in COVID-19 scenarios.

Oregon Bureau of Labor and Industries:
- BOLI provides this landing page to help employers keep track of changes to workplace laws in light of COVID-19.
- BOLI provides this guidance on Predictive Employee Scheduling & Coronavirus Pandemic answers questions relating to the predictive scheduling law, SB 828, affecting employers with more than 500+ employees.
- BOLI has filed this Temporary Rule For Expanding OFLA in response to the declaration of global health pandemic and statewide public health emergency.
- BOLI has informally indicated that because of school closures, young adults (14-15 years old) can work more than 3 hours a day on school days. Please consult your counsel if you have any questions about this interpretation.

Oregon Department of Consumer and Business Services:
- DCBS has created this landing page to provide general guidance about insurance and financial services.
- DCBS has enacted this Order directing Insurers to extend grace periods for premium payments, postpone policy cancelations and nonrenewals, and extend deadlines for reporting claims.
- DCBS has posted this informal Guidance for Business Interruption Insurance during COVID-19. **NOTE: This information was developed to provide general information and guidance. It is not intended to provide a formal, definitive description or interpretation of your policy. Contact your agent or insurance company to discuss your coverage.**

Oregon Department of Agriculture:
- ODA has set up this landing page to keep agricultural producers informed of changes to their programs because of COVID-19.

Oregon Department of Revenue and IRS:
- The Oregon Department of Revenue has created this landing page to provide guidance on tax relief options during COVID-19.
- On March 25, 2020, Oregon Department of Revenue announced an Extension for Oregon Tax Filing and payment deadlines for personal income taxes and some other taxes closely following.
- The IRS has set up this landing page to provide coronavirus tax relief information.
H.R. 748 THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES):

This information is sourced from the Senate Appropriations Committee. This summary does not reflect the mandatory or authorizing provisions of the agreement. Please consult legal counsel with any questions about how this federal directive impacts your operation.

On March 25th, H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (CARES) was passed. The appropriations division of the Senate’s bipartisan coronavirus aid and economic relief agreement contains $340 billion in new funding to address the needs of the American people as we confront the coronavirus pandemic. The bill provides new resources to help strained state, local, and tribal governments as they combat this pandemic; support for hospitals and health care workers on the front lines of this public health crisis; funding to purchase personal protective equipment and much needed medical equipment; support for law enforcement, firefighters, and first responders; funding for scientists researching treatments and vaccines; support for small businesses; support for local schools and universities; and funding for affordable housing and homelessness assistance programs. This funding is in addition to the $150 billion Coronavirus Relief Fund that will provide state, local, and tribal governments with additional resources to address this pandemic.

Key highlights that impact the agricultural industry include:

**Title I – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies ($34.9 billion):**

- U.S. Department of Agriculture (USDA)/Office of The Secretary – $9.5 billion. The bill provides $9.5 billion in emergency covid-19 response funding to support agricultural producers impacted by covid-19, including producers of specialty crops, producers that supply local food systems, and livestock producers.
- USDA/Office of Inspector General – $750,000. The bill provides funding for conducting audits and investigations of projects and activities carried out with the supplemental funding provided in response to coronavirus.
- USDA/Animal and Plant Health Inspection Service – $55 million. The bill provides an additional $55 million to cover salary expenses to offset the decrease in user fee revenue caused by business disruptions.
- USDA/Agricultural Marketing Service – $45 million. The bill provides an additional $45 million to cover salary expenses to offset the decrease in user fee revenue caused by business disruptions.
- USDA/food safety and inspection service – $33 million. The bill provides $33 million to support staffing and overtime expenses for food safety inspection service inspectors at federally inspected slaughter facilities.
- USDA/Farm Service Agency – $3 million. The bill provides $3 million to support temporary staff and overtime costs resulting from increased volume of applications in response to coronavirus.
- USDA/Rural Development – $145.5 million.
- Rural Business Cooperative Service – $20.5 million. The bill provides the necessary subsidy to make $1 billion in lending authority available for the business and industry loan guarantee program, which provides much-needed financing to business owners that might not be able to qualify for a loan on their own.
- ReConnect Pilot – $100 million. The bill provides grants for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in eligible rural areas.
• Distance Learning, Telemedicine (DLT), And Broadband Program – $25 million. The bill provides additional funding for the DLT grant program, which supports rural communities’ access to telecommunications-enabled information, audio, and video equipment, as well as related advanced technologies for students, teachers, and medical professionals.

• USDA/Food and Nutrition Service – $25.06 billion

• Child Nutrition Programs – $8.8 billion. The bill provides additional funding for food purchases and demonstration projects to increase flexibility for schools.

• Supplemental Nutrition Assistance Program (SNAP) – $15.51 billion. The bill provides additional funding for snap to cover waiver authorities granted in H.R. 6201 and anticipated increases in participation as a result of coronavirus.

• Food Distribution Program on Indian Reservations – $100 million. The bill provides additional funding for low-income households living on Indian reservations and participating Indian tribal organizations.

• Nutrition Assistance for The Commonwealth of The Northern Mariana Islands, Puerto Rico, And American Samoa – $200 million. The bill provides additional funding for U.S. Territories that cannot access snap. This amount is in addition to annual block grant funding.

• The Emergency Food Assistance Program – $450 million. The bill provides additional funding for commodities and distribution of emergency food assistance through community partners, including food banks.

• USDA/Foreign Agricultural Service (FAS) – $4 million. The bill provides additional funding to cover the cost of repatriating FAS employees stationed abroad.

• Food and Drug Administration – $80 million. The bill provides additional funding to support the development of necessary medical countermeasures and vaccines, advance domestic manufacturing for medical products, and monitor medical product supply chains.

• Commodity Credit Corporation (CCC). The bill includes language that replenishes the CCC borrowing authority by $14 billion.

**NOTE:** This summary does not include all appropriations or reflect the mandatory or authorizing provisions of the agreement. Please consult legal counsel with any questions about how this federal directive impacts your operation and refer to this CARES Act Summary for more information.

**CARES ACT SUPPORT FOR SMALL BUSINESSES:**

This information is sourced from Senator Wyden’s CARES Act FAQ page.

Under the CARES Act, refundable tax credits are available for private-sector employers that are required to offer coronavirus related paid leave to employees. The IRS will be posting information soon on these credits on its website ([www.irs.gov](http://www.irs.gov)), including information on how to obtain advance payment of these credits.

The employer side of certain payroll taxes are deferred through the end of 2020. Deferred taxes will not become due until end of 2021 and end of 2022, with 50% of the liability being paid at each date. Any business that does not have a loan forgiven under the new SBA Paycheck Protection Program is eligible for the payroll tax deferral.
An employee retention tax credit is available for struggling businesses that are not eligible or choose not to participate in the new SBA Paycheck Protection Program. Any business that has been forced to fully or partially suspend operations, or that has seen a significant drop in revenues is eligible for a 50-percent credit for wages paid to furloughed or reduced-hour employees. For businesses with 100 employees or less, the credit is based on all wages paid, regardless of whether an employee is furloughed. There is an overall limit on wages per employee of $10,000. The credit can be claimed against the business’s quarterly payroll tax liability and is fully refundable to the extent of excess. There will also be options to receive advance payments. Small business owners should lookout for information at IRS.gov and talk to their payroll service provider, as applicable.

The Paycheck Protection Program (PPP) is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. Congress has allocated an additional $310 billion to the first round of $349 billion. The US Small Business Administration (SBA) will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender or bank as to whether it is participating in the program.

*NOTE: If you are interested in this funding, we recommend you apply NOW. The $310 billion will be allocated on a first come first serve basis, although SBA had made limitations on lending institutions to ensure that money is distributed across all types of lending institution. Be prepared to be patient. Banks and lending institutions are grappling with this information as millions are trying to apply.*

Lenders are beginning to process loan applications NOW. The Paycheck Protection Program will be available through June 30, 2020.

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19.

The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

This loan has a maturity of 2 years and an interest rate of 1%.

If you wish to begin preparing your application, you can download a copy of the PPP borrower application form to see the information that will be requested from you when you apply with a lender.
The SBA released their Interim Final Rule (IFR) late last week, providing immediate guidance on the PPP loans. Their guidance which says:

*You are ineligible for a PPP loan if you are engaged in any activity that is illegal under federal, state, or local.*

*The Act expressly excludes any compensation of an employee whose principal place of residence is outside of the U.S.*

OFB is interpreting this guidance to mean that cannabis businesses are not eligible, nor are payroll costs for visa workers (H2A). This is not to be interpreted as legal advice. Please consult your legal representative and/or lender for further information.

$17 billion is available for immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans. Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out loans within six months of the President signing the bill into law.

The CARES Act creates a new SBA Economic Injury Emergency Grant Program. The most recent CARES package made a significant change for the EIDL program. Agricultural operation are now eligible. The SBA announced on May 4 that agriculture enterprises can begin submitting applications for the Economic Injury Disaster Loan Program. These applications will be accepted on a limited basis and on a first come first serve basis. Click [here](#) to begin the EIDL process.

These grants provide an emergency advance of up to $10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL). To access the advance, you must first apply for an EIDL and then request the advance. The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payment.

**NOTE:** We will update this guidance as more information on this becomes available. In the interim, please consult with private counsel to determine how this federal directive impacts your operation and please see this [FAQ page](#) for more information.
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