



Initiatives by MPSA and Its Partners to Help Employers & Employees

March 17, 2020

Dear MPSA Members,

In this challenging time the Board of Directors and staff at the Massachusetts Package Stores Association wish you, your colleagues and family good health and safety. Please take good care. In looking to be of assistance, our advocacy partners at **Murphy Donoghue Partners** have compiled information about the various initiatives proposed thus far to help employers/employees affected by COVID-19.

Please see below. If you need additional information or have any questions, please let us know.

[**Learn about Massachusetts COVID-19 Workforce Measures**](#)

The Executive Office of Labor and Workforce Development (EOLWD) and the Department of Unemployment Assistance (DUA), in coordination with the US Department of Labor (USDOL), are taking a series of actions to assist workers and employers.

For current unemployment claims:

- All requirements regarding attending seminars at the MassHire career centers have been suspended.
- Missing deadlines due to effects of COVID-19 will be excused under DUA's good cause provision.
- All appeal hearings will be held by telephone only.

The Department of Labor issued guidance to the states instructing state agencies to apply existing law flexibly. Under the DOL guidance, DUA may now pay unemployment benefits if a worker is quarantined due to an order by a civil authority or medical professional or leaves employment due to reasonable risk of exposure or infection or to care for a family member and does not intend to or is not allowed to return to work. The worker need not provide medical documentation and need only be available for work when and as able.

To assist individuals who cannot work due to the impact of COVID-19, the administration is filing emergency legislation that will allow new claims to be paid more quickly by waiving the one week waiting period for unemployment benefits.

EOLWD and DUA are also filing emergency regulations that will allow people impacted by COVID-19 to collect unemployment if their workplace is shut down and expects to reopen in four or fewer weeks. The following conditions apply:

- Workers must remain in contact with their employer during the shutdown.
- Workers must be available for any work their employer may have for them that they are able to do.
- An employer may request to extend the period of the covered shut-down to eight weeks, and workers will remain eligible for the longer period under the same conditions described above.
- If necessary, DUA may extend these time periods for workers and employers.

Employers who are impacted by COVID-19 may request up to a 60-day grace period to file quarterly reports and pay contributions.

The pending federal legislation proposes further relief including additional money for unemployment benefits, and relief to employers for charges related to unemployment benefits paid due to COVID-19.

Bills to Help Workers, Municipalities Now in Legislature's Hands - Baker Bills Set to Advance Quickly This Week

One bill (S 2598) filed by Baker would waive the one-week waiting period for unemployment benefits to be paid to workers impacted by COVID-19.

"This means that the Department of Unemployment Assistance would be authorized to pay benefits without delay to persons who become unemployed because of layoffs or business shutdowns taken in response to the virus, because of quarantine orders or directives or illness that prevents them from leaving their homes, or because they must care for a sick or quarantined family member or attend to children who are at home due to school closures," Baker said in a filing letter. That bill was referred by the Senate to the Committee on Ways and Means.

The Executive Office of Labor and Workforce Development is also expected to file emergency regulations that don't require a vote of the Legislature to allow employees affected by the coronavirus to collect unemployment if their workplace shuts down with plans to reopen within four weeks.

Jon Hurst, president of the Retailers Association of Massachusetts, said small business owners have been seeking "flexibility" from unemployment insurance rules at both the state and federal levels. The trade group began surveying employers Monday morning about other steps small employers would like to see taken. Hurst said he would particularly like to see the federal government guarantee that unemployment insurance rates won't increase should the state need to borrow from the federal government to cover benefits.

"The unemployment insurance tax rate is based on usage. It's critical that no small business should be hit with a higher tax rate because they're using this system," Hurst said. "Fortunately we have low unemployment and a pretty good trust fund here in Massachusetts, but I have to think there will be federal legislation to take that into consideration."

The state's unemployment rate held steady for the sixth consecutive month in January at 2.8 percent, contributing to the health of a trust fund that holds over \$1.6 billion to pay unemployment benefits. According to the latest report from the Executive Office of Labor and Workforce Development, the unemployment insurance trust fund had a balance of \$1.6 billion in January, with \$1.74 billion projected to be collected from private employers over the course of the year and \$1.27 billion in benefits expected to be paid.

The state had been projecting that no federal borrowing would be required through 2024, but that could change.

Hurst said that in addition to providing a safety net for workers, the state and federal government will need to provide supports for business owners. He said many businesses still don't know if "business interruption insurance" will cover this crisis.

"There isn't a great safety net for small businesses out there that have to cover payrolls, high rents and health insurance coverage," Hurst said. "We're going to see a lot of dark storefronts unless there are ways to mitigate those ongoing fixed costs when you aren't getting any income."

Baker-Polito Administration Announces \$10 Million Small Business Recovery Loan Fund

BOSTON - Today, the Baker-Polito Administration announced economic support for small businesses with a \$10 million loan fund to provide financial relief to those that have been affected by COVID-19.

The \$10 million Small Business Recovery Loan Fund will provide emergency capital up to \$75,000 to Massachusetts-based businesses impacted by COVID-19 with under 50 full- and part-time employees, including nonprofits. Loans are immediately available to eligible businesses with no payments due for the first 6 months. Massachusetts Growth Capital Corporation (MGCC) has capitalized the fund and will administer it.

"As our administration continues to take steps to protect the health and safety of residents, we recognize the hardships facing the small businesses that create the foundation of the state's economy," said Governor Charlie Baker. "This recovery loan fund is a new resource to help small businesses address emergency needs due to the disruption caused by the ongoing COVID-19 pandemic."

"Small business owners and their employees are our neighbors and our friends, and their enterprises play vital roles in our communities, and we are committed to helping them cope with the impacts of COVID-19," said Lt. Governor Karyn Polito. "As we announce this small

business recovery loan fund, we will continue to work with the Legislature and our federal partners to find ways to effectively provide assistance during this public health emergency."

"Our office remains in regular contact with the state's business community to provide updates and receive feedback as the administration continues to expand its comprehensive COVID-19 response," said Housing and Economic Development Secretary Mike Kennealy. "These new recovery loans complement other resources like the state WorkShare program and federal Economic Injury Disaster Loan program, as well as legislative efforts by the administration to support impacted workers."

"MGCC is committed to helping support the Commonwealth's small businesses through this time," said Lawrence Andrews, President and CEO of MGCC. "We are proud to offer this fund as it serves our mission to save jobs and promote economic development. All processing and funding will take place online through MGCC staff."

How to Apply:

Please complete the application found on MGCC's website, EmpoweringSmallBusiness.org. Completed applications can be sent via email to mgcc@massgcc.com with the subject line "2020 Small Business Recovery Loan Fund".

MGCC can be reached by email: mgcc@massgcc.com

Loan Fund Details:

- Who Qualifies: Open to Massachusetts-based businesses impacted by COVID-19 with under 50 full- and part-time employees, including nonprofits (negative impact must be verifiable).
- Terms and Conditions: This fund is being offered with no payments due for the first 6 months, then 30-months of principal and interest payments and no prepayment penalties.
- Businesses can apply for loans up to \$75,000.

About Massachusetts Growth Capital Corporation:

MGCC is a quasi-public corporation of the Commonwealth that saves and creates jobs at small businesses, often minority and women-owned businesses, by providing financial services and managerial assistance. MGCC also promotes economic development throughout the state, focusing on Gateway Cities and low- to moderate-income communities. MGCC works with traditional financial institutions to make challenging loans bankable, working with community development corporations and other non-profits to provide financing for job-producing projects, and assisting a wide range of small businesses to find the growth capital they require. Since 2010, MGCC has served over 7,400 small businesses, and positively impacted more than 19,200 jobs with customized working capital financing commitments totaling over \$122,000,000. For more information, visit EmpoweringSmallBusiness.org.

[Baker-Polito Administration Launches COVID-19 Response Command Center](#)

New Cross-Agency Structure To Focus On Responding To Disease, Supporting Communities & Residents

BOSTON - The Baker-Polito Administration today announced the creation of a new COVID-19 Response Command Center. Governor Charlie Baker has asked Health and Human Services Secretary Marylou Sudders to lead this cross-secretariat response to the outbreak of COVID-19 to complement the work that has been underway for weeks across state government to keep residents safe and healthy.

The Command Center, under the leadership of Secretary Sudders and reporting to Governor Baker and Lt. Governor Karyn Polito, will be the Commonwealth's single point of strategic decision making and coordination for the Administration's comprehensive COVID-19 response.

"Our administration has been working for weeks to address the outbreak of COVID-19, and the new Response Command Center we are launching today is an important step in our planning and preparedness efforts," said Governor Charlie Baker. "Led by Secretary Marylou Sudders, this team of experts will focus solely on pushing back against this disease and moving quickly to respond to the needs of our communities and residents."

"State government has been committed to supporting communities and residents as the Commonwealth works together to respond to the Coronavirus, and this new Command Structure will help us further advance that mission," said Lt. Governor Karyn Polito. "This dedicated team will serve as a single point of decision-making for our ongoing response as we continue to collaborate with partners to address this rapidly changing situation."

The Command Center will have complete authority and discretion to tap whatever state funds are necessary. This includes the \$15 million recently appropriated by the Legislature for Coronavirus.

2-1-1 Hotline

2-1-1 is the Commonwealth's primary telephone information call center. Call 2-1-1 for information about the location of open shelters, transportation or other restrictions due to a declared state of emergency, post disaster assistance, ways to volunteer or donate, or other services you or your family may need. Mass 2-1-1 is a 24/7 resource to connect callers to information about critical health and human services programs.

Speaker DeLeo and Senate President Spilka set up Working Groups

The House has convened a COVID-19 Working Group. Members include Rep. Jon Santiago (Captain in the U.S. Army Reserves and an Emergency Room Doctor at the Boston Medical Center), Rep. Bill Driscoll (various involvement and experiences in Emergency Response operations), Rep. John Mahoney (House Chair of the Joint Committee on Public Health), Rep. Denise Garlick (former Registered Nurse and previously chaired the Needham Board of Health) and Rep. Kate Hogan (former House Chair of Public Health). According to the

Speaker's office, 'the working group assesses and provides advice on the internal processes and procedures on the ongoing operations of House business, including formal and informal sessions, as the House confronts the COVID-19 pandemic.'

Senate President Karen Spilka has appointed Senator Joanne Comerford (D-Northampton) to head up an internal group of senators to "advise the body on how it should approach the various challenges posed by this evolving epidemic, including any legislation that may be needed." Senators Cindy Friedman, Senator Cynthia Creem, Senator Bruce Tarr, Senator Will Brownsberger, Senator Jason Lewis, and Senator Julian Cyr are also members of the task force.

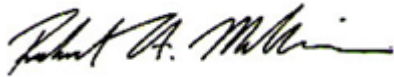
Layoffs Not in Play as T Reduces Service

MBTA officials have no plans to cut staff during a period of reduced service due to the coronavirus outbreak. T spokesman Joe Pesaturo confirmed Monday that layoffs are not being discussed at this time, even as the agency prepares to scale most trains and buses down to limited schedules starting Tuesday and halt ferry service. The budget implications will also be a discussion for later in the process, Pesaturo said. "With more pressing priorities right now, the T will conduct a thorough analysis of costs and revenue at another time," he wrote in an email. - Chris Lisinski 3:21 PM

U.S. Businesses Get Access to Low-Interest SBA Loans for \$50M to Weather Coronavirus Impact

<https://www.businessnewsdaily.com/15639-trump-covid-19-sba-loans.html>

Respectfully,



Robert A. Mellion
Executive Director | General Counsel
Massachusetts Package Stores Assoc., Inc.