

Government Affairs Update

Employers are beginning to re-open and are hiring has begun with unemployment dropping to 13 percent during May, down from 14.7 percent in April. As businesses re-open, COVID practices are of concern. There are several resources on SHRM National website for COVID checklists, policies, and practices that will help guide HR in implementing changes in workplace practices, while still protecting employee privacy and addressing fears.
<https://www.shrm.org/resourcesandtools/pages/communicable-diseases.aspx>.

The Senate approved a bill to ease restrictions on the Payroll Protection Program and President Trump signed into law on June 5. The easing is to assist businesses as re-openings have been delayed and employers are finding it challenging to rehire staff.

PPP now provides more flexibility for use of the PPP money. Originally 75 percent was to be used for payroll and has now been lowered to 60 percent. The remaining 40 percent may be used on items such as mortgage interest, rent, and utilities. Additionally, because opening businesses have been delayed, employers are now given 24 weeks to spend the money, rather than the original 8 weeks.

The rule to maintain consistency in payroll has been revised to have the PPP loan forgiven. One of the rules initially set in place was that an employer had to maintain their employees and compensation. The new rule provides no penalty for employers who offer to rehire employees and they refuse the offer. There are documentation requirements, such as retaining offer letters, consistency in wages, noting rejection in documentation, and notifying the unemployment office.

<https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/bill-to-ease-restrictions-on-paycheck-protection-program.aspx>

AND

<https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/paycheck-protection-program-rehire-exemption-sba-loans.aspx>