



# CRISIS MANAGEMENT FOR COVID-19

## **Phase 35: One Year Anniversary!**

Updates on Vaccines, Spring Reopening,  
Legal Changes, and Legislation

*Presented by:  
Hanna Resource Group  
and  
Morris & Morris, PSC*

# INTRODUCTIONS



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# WHAT WE'LL COVER

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Kentucky COVID-19  
Status

2

Updated Guidance,  
Legal Changes, and  
Legislation

3

Kentucky COVID-19  
Status



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# Kentucky COVID-19 Status



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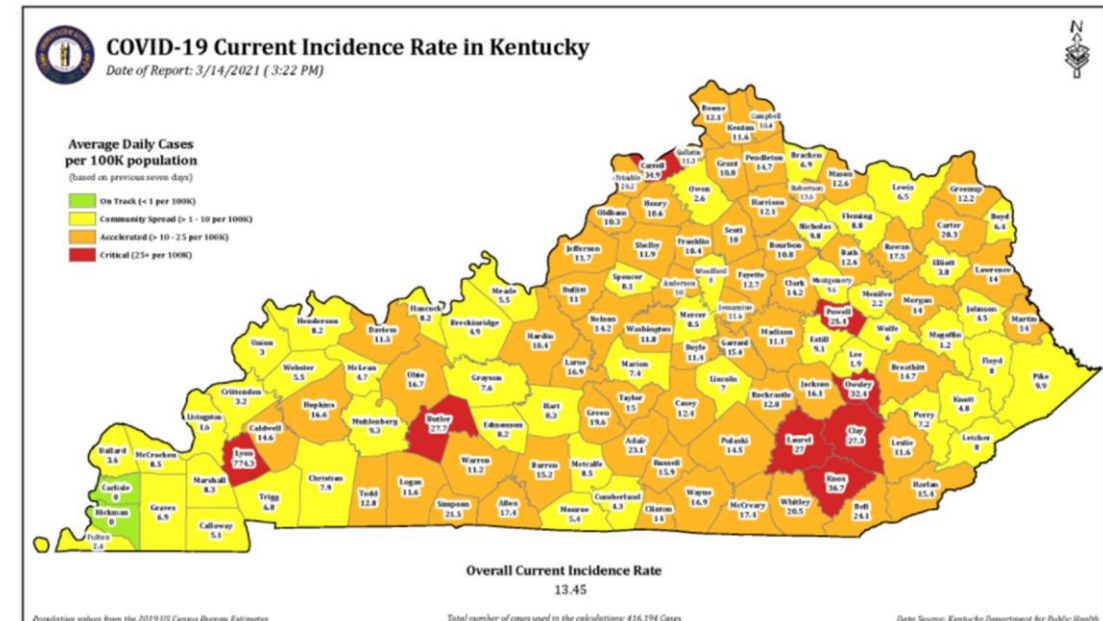
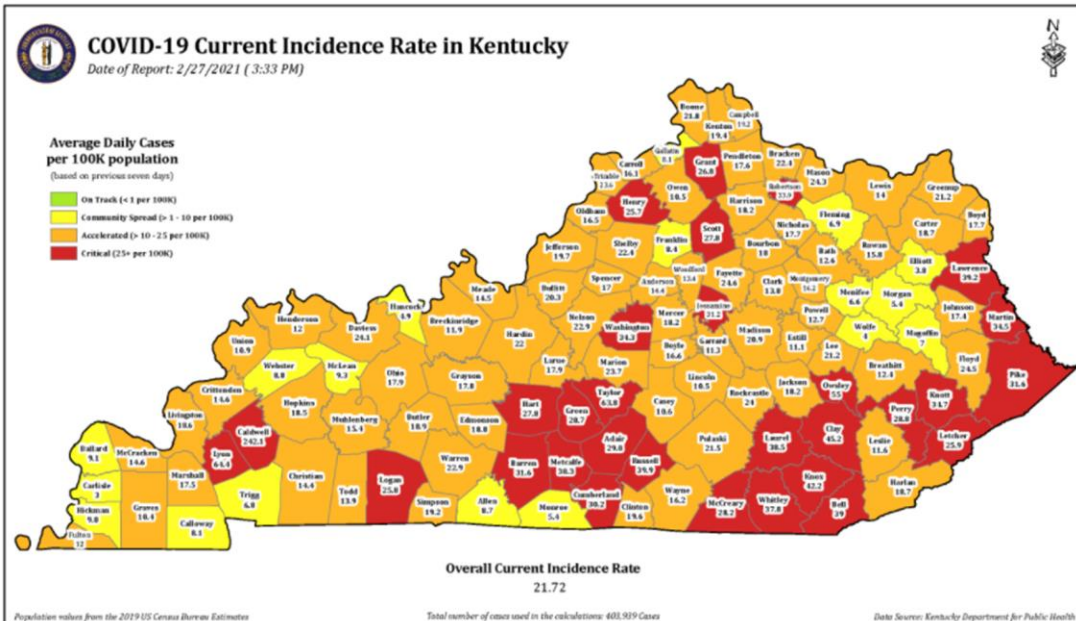
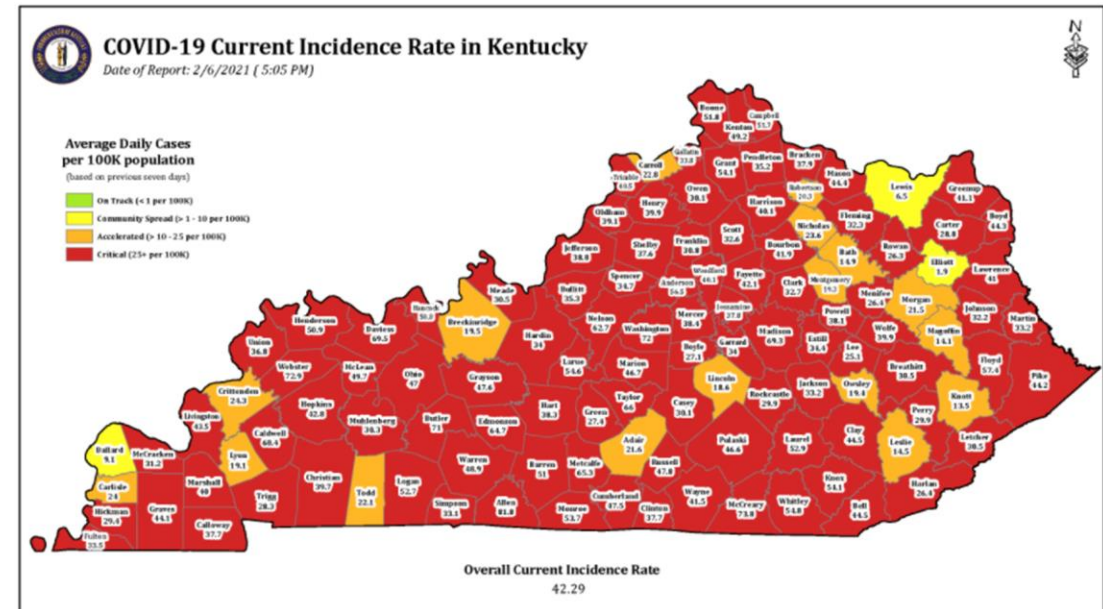
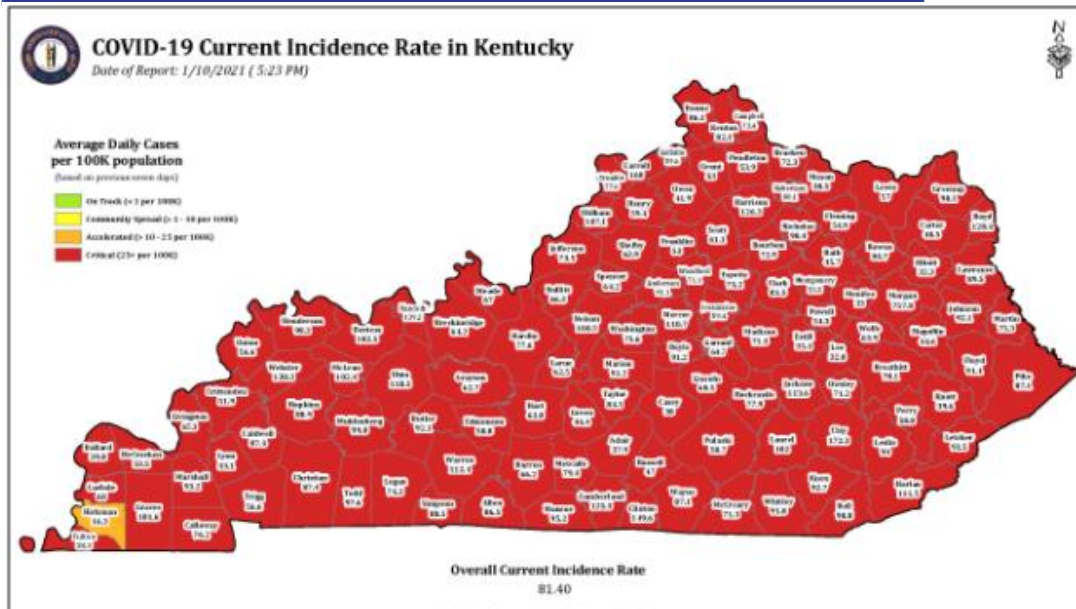
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# Kentucky Updates

## Kentucky's State-Wide COVID-19 progression over the past two months (1/18, 2/6, 2/27, and 3/14)





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## Kentucky Legal Update



**James M. Morris, Esq.**

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## WHEN CAN YOU GET A COVID-19 VACCINE?



The COVID-19 vaccine will be distributed in phases.  
All Kentuckians will have access to a vaccine.

- Long term care facilities
- Assisted living facilities
- Health care personnel



Phase 1a

- Anyone age 70 or older
- First Responders
- Kentucky K-12 school personnel
- Kentucky child care workers



Phase 1b

- Anyone age 60 or older
- Anyone age 16 or older with CDC highest risk C19 risk conditions
- All essential workers



Phase 1c

We are here

March 1, 2021



## COVID-19 Vaccination Program-to-Date Performance

	Total First Dose Allocated to KY *Updated on Tuesday for receipt of weekly Federal Allocation	Total Number of Unique Persons Vaccinated in KY *Updated Daily
State Program	868,035	863,096
LTCF Program	76,050	78,084
Federal Direct Program	Direct Federal Allocation	27,993
Federal Pharmacy Program	179,710	26,611
Total	1,123,795	995,784

Kentucky's total population is 4.468 million people, and 18% are under the age of 16 years old, resulting in 3.217 Million people eligible for the vaccine; 31% of Kentuckians over the age of 16 have been vaccinated with the first dose; positivity rate has dropped to 3.98%



*Judge Shepherd Issued an Injunction on March 3, 2021*

- On February 2, 2021, Beshear filed suit seeking declaratory judgment and Injunction
- On February 3, 2021, Franklin Circuit Judge issued an Injunction as to HB1
- At the February 23, 2021 Hearing the Injunction was extended until March 3, 2021
- On March 3, 2021, Judge Shepherd entered an Injunction, stating "the Court ENJOINS the implementation of Section 1 of House Bill 1, the 30-day limitation on emergency Executive Orders issued under KRS Chapter 39A (absent legislative ratification) set forth in Senate Bill 1, and the 30-day limitation on Emergency Administrative Regulations (E-Regs) under KRS Chapter 31A (absent legislative ratification) set forth in Senate Bill 2"
- On March 11, 2021, the House voted to ratify approximately 60 Emergency Orders (pending the legal battle); all others would have expired absent judicial injunction
- It is expected that an appeal will be filed by the legislature/attorney general any day
- Court of Appeals and Supreme Court will have to parse out ruling and limitations

***Kentucky Legislature activities with one day left  
before "Veto Calendar"***

- **SB 3: Removes Agriculture Development Board and Finance Corporation from Governor's Office (Veto Overridden 3/12)**
- **SB 7: Unemployment: Establishes fraud prevention efforts and investigation team; waives accidental overpayment for Unemployment Benefits**
- **HB 6: Requires designation of Vice-Chairs of House and Senate (Veto overridden 3/12/2021)**

**Bills that Passed Both House and Senate, Awaiting Delivery to the Governor**

- **HB 210: Amending KRS 337.015 to require adoption leave by all employers the same as birth parents**
- **HB 278: Amends tax code to allow deductions paid with proceeds from PPP to be treated the same as federal purposes**

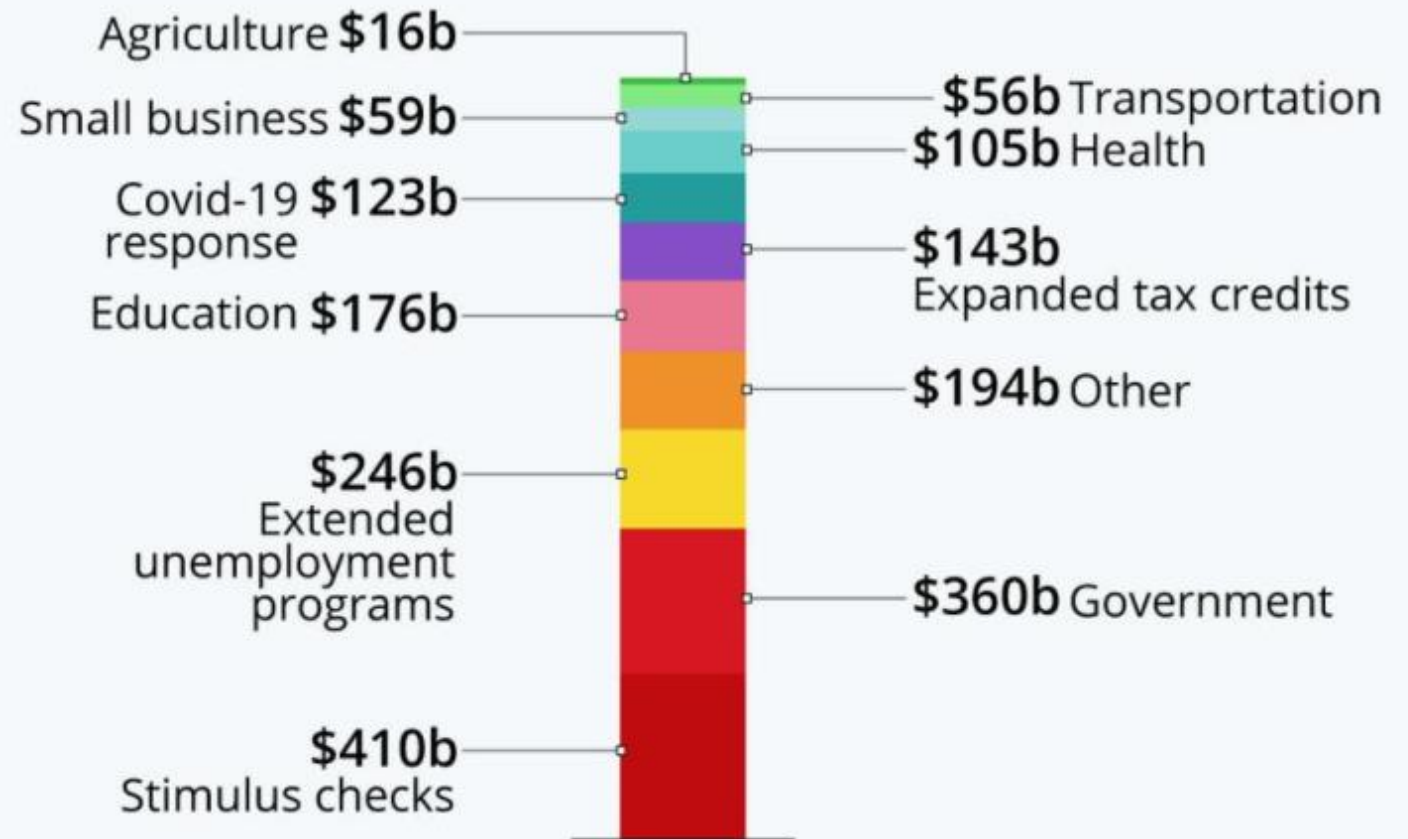
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New \$1,900,000,000,000  
COVID-19 Stimulus  
Package

*New Stimulus Package  
("America Rescue Plan"), signed  
into law by the President on  
3/11/2021*

## What's In The \$1.9 Trillion Stimulus Package?

Composition of the American Rescue Plan Act  
(in billion U.S. dollars)



Source: The Wall Street Journal

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## New \$1,900,000,000,000 COVID-19 Stimulus Package

*New Stimulus Package ("America Rescue Plan"), signed into law by the President on 3/11/2021*

- \$300 weekly UI through 9/6/2021 for all types (previously expired 3/15/21)
- First \$10,200 in Unemployment Benefits is now Tax Free for those earning less than \$150,000
- \$1,400 Stimulus Checks in addition to the \$600 in December (Phase outs have changed)
  - Individuals with less than \$75k; couples with less than \$150k receive full \$1,400
  - Zero benefit for those earning more than \$80,000/\$160,000 for couples
- Inclusion of \$3,000 Child Tax Credit (\$3,600 for children under 6)(increased from \$2,000)(periodic basis)
- State and Local Government Bailout \$350B – (Chicago, San Francisco, LA, Detroit etc.) – debt free
- \$10B in Pandemic Testing and Contact Tracing
- \$20B in emergency rental; \$10B in mortgage and homeownership assistance
- \$130B for K-12 reopening; \$40B for colleges; \$1.25B for summer; \$1.25B for after-school; \$3B for Tech
- \$86B for Failing Pension bailouts
- Employee Retention Tax Credits expanded for start-ups
- Student loan forgiveness is now tax-free
- COBRA Premium Extended at 100% from April 1, 2021 through September 30, 2021
- \$4.5B for Low Income Home Energy Assistance Program; \$510M for FEMA assistance to homelessness
- \$7.25B for SBA in new PPP funding; more nonprofits qualify, including lobbyists; \$15B for EIDL Program



## 2

### New \$1,900,000,000,000 COVID-19 Stimulus Package

*New Stimulus Package ("America Rescue Plan"), signed into law by the President on 3/11/2021*

- Additionally, the Act extended tax credits to offset costs for employees who voluntarily provide FFCRA emergency paid sick leave or expanded FMLEA leave
  - Credits are available from 4/1/2021 through 9/30/2021
- In addition to permitted FFCRA emergency sick leave, credit is also available if:
  - “An employee is seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, COVID-19 and such employee has been exposed to COVID-19”
  - “or the employee’s employer has requested such test or diagnosis”
  - “or the employee is obtaining immunization related to COVID-19 or recovering from any injury, disability, illness, or condition related to such immunization”
  - \$300 weekly UI through 9/6/2021 for all types (previously expired 3/15/21)
- Additionally, tax credits for emergency FMLEA are available if:
  - Caring for a child whose school has been closed due to the pandemic, for the existing six FFCRA sick leave reasons, and also adds testing and immunization provisions
- Employee Retention Tax Credits established under the CARES Act are continued through 12/31/21
- \$200M allocated to the DOL, W&H, Workers’ Compensation, Solicitor, MSHA, OSHA

## 2

### New Administration Directives Affecting Employers

#### *OSHA Policies Issued for a "National Emphasis Program"*

***On Friday evening, March 12, 2021, just under the Ides of March deadline, OSHA issues new directive:***

- New Directive is called the "National Emphasis Program" and targets "high risk businesses"
- "This NEP targets establishments that have workers with increased potential exposure to this hazard, and that puts the largest number of workers at serious risk"
- Intended to clamp down on businesses that fail to follow strict COVID-19 instructions
- Also includes anti-retaliation provisions
- Uses phrases, repeatedly, such as "targeting," "enhancing," and "augmenting"
- Prioritizes COVID-19 Coincides with Updated Interim Enforcement Response Plan for COVID-19
- New Workplace Emergency Temporary Standards for COVID-19 should also issue today ....

## 2

## Unemployment Insurance for Conscious Objectors

### *Department of Labor Issues Unemployment Mandate in Unemployment Insurance Change Directive*

#### **On February 25, 2021, DOL issued Expanded Eligibility Provisions for the PUA Program**

- Expanded eligibility provisions for CARES Act under new Presidential Executive Order
  - Adds 3 new COVID-19 related reasons added to PUA under which an individual may self-certify
    - Refuse to return to work that is unsafe or to accept an offer of new work that is unsafe;
    - Certain individuals providing services to educational institutions or educational agencies;
    - individuals experiencing a reduction of hours or a temporary or permanent layoff
- Applies retroactively to the beginning of the PUA program, though individuals who did not file an initial PUA claim on or before 12/27/20, are limited to weeks of unemployment beginning on or after 12/6/20
- States may seek additional funding of up to \$100,000 to cover startup costs for implementing the expanded eligibility provisions, including an update to the self-certification declaration

## 2

## New Guidance for Taxes

### *IRS issues Guidance on Employee Earned Retention Tax Credit and PPP Funding (Pre-Act announcement)*

#### ***On March 1, 2021, the Internal Revenue Service issued guidance regarding PPP funding & ERTC***

- Confirmed the previous Notice allowing ERTC, but clarified retroactive changes re: expanded eligibility
- For 2020, the employee retention credit can be claimed by employers who:
  - Paid qualified wages after March 12, 2020, and before January 1, 2021
  - Who experienced a full or partial suspension of operations or a significant decline in gross receipts.
  - ERTC equal to 50% of qualified wages paid, including qualified health plan expenses, for up to \$10k
- Eligible employers that received a PPP loan can claim the ERTC, although the same wages cannot be counted both for seeking forgiveness of the PPP loan and calculating the employee retention credit.
- 2021-20 addressed eligible employers; full vs. partial suspension of operations; a significant decline in gross receipts; the maximum amount of ERTC; qualified wages; how to claim ERTC; and how to claim
- While the Relief Act also extended and modified the employee retention credit for the first two calendar quarters in 2021, Notice 2021-20 PDF addresses only the rules applicable to 2020.
- The IRS plans to release additional guidance soon addressing the changes for 2021



***In Notice 2021-15, COVID-19 relief measures identified for FSA or DCAP***

- Provides options to assist participants in making use of FSA or DCAP contributions not used b/c COVID
- Allows employers to permit mid-year election changes for plan years ending in 2021

**Extended Spending Opportunities for FSAs and DCAPs**

- Allows amendment of plans for carryovers or extended grace periods (but not both) for 2020 or 2021
- Available regardless of whether their cafeteria plans previously provided for carryovers or grace periods
- Discretion to limit both dollar amounts, and length of grace period or time period for carryover.
- Extended carryover or grace periods do not affect amount participants may contribute the next year

**FSA Interactions With Health Savings Accounts**

- employee is eligible to make HSA contributions for months covered by an eligible “high deductible health plan” (HDHP) and not covered by any non-HDHP health coverage.
  - Participants covered by a general-purpose FSA may not make HSA contributions during months of coverage
  - Employers may allow participants to opt out of general-purpose FSA carryovers or extended grace periods

**Election Changes**

- Generally, irrevocable once made. Under exception, employer may permit employees to make certain changes



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## An Update from Kentucky Businesses



Kari Collier  
*Director of Human Resources  
Lexington Center Corp*



John Greene  
*Human Resources  
Keeneland Association Inc*



*~Luke Combs, Feb 14, 2020*

**6 concerts, averaging  
12-16k per event**



**4 UK Basketball  
Games,  
Averaging 20k  
each game**



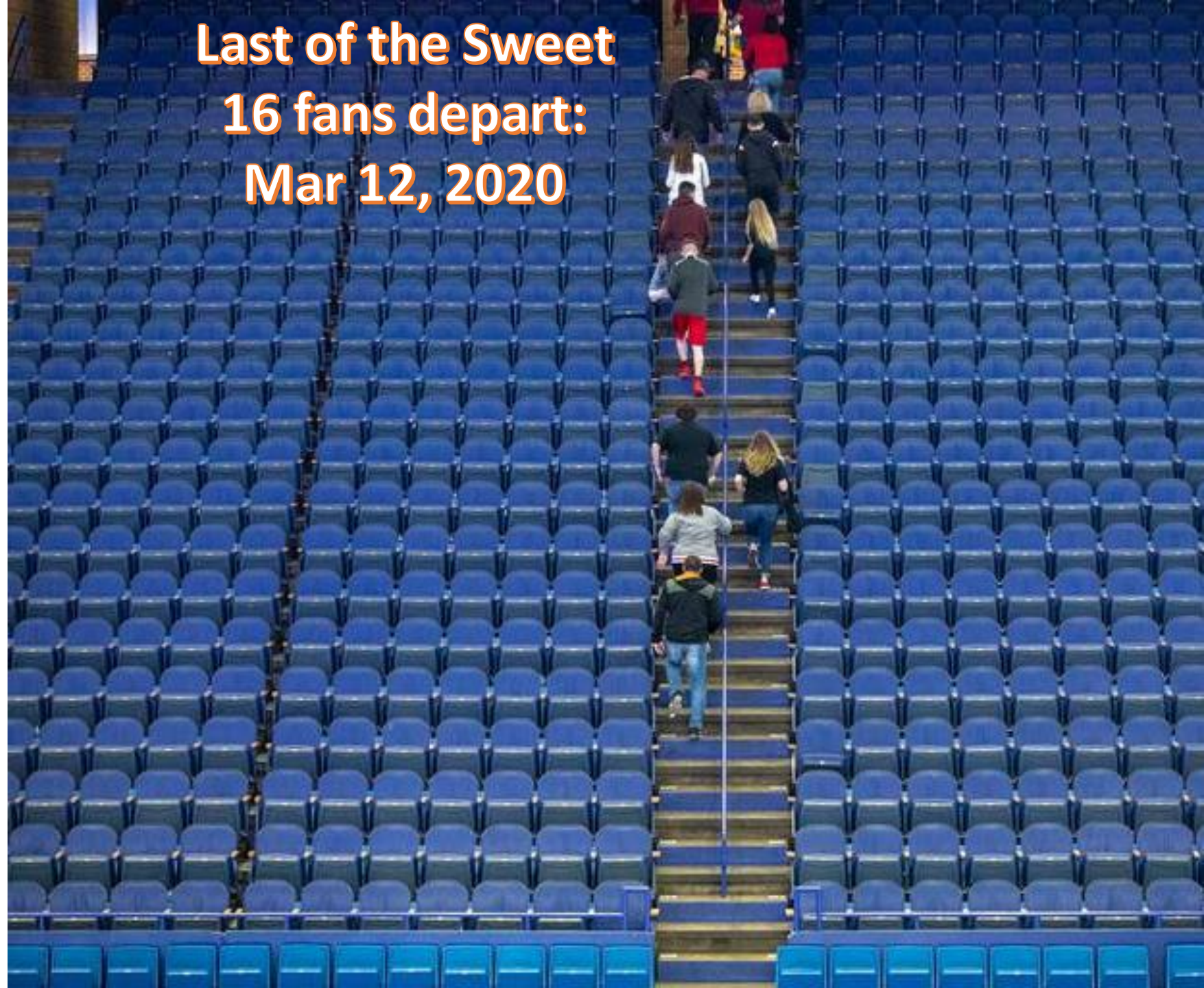
# Julian Tackett, KHSAA announcing Sweet Sixteen cancellation



after game 5 of girls,  
Mar 12, 2020

(Boys were to play following week)

## Last of the Sweet 16 fans depart: Mar 12, 2020





1 concert, 2,600 in  
attendance

~Acoustic Jam, Jan 15, 2021

14 UK Basketball Games,  
Averaging 2k each game

and about 5k in cardboard  
cutouts

**KSR**  
KENTUCKY SPORTS RADIO  
DR. MICHAEL HUANG  
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KEENELAND 

# Questions & Answers



HRCI Business: 554514  
SHRM: 21-6924A



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