



SMALL  
BUSINESS  
DEVELOPMENT  
CENTER  
SOLANO



WORKFORCE DEVELOPMENT BOARD  
OF SOLANO COUNTY

## COVID-19 FREQUENTLY ASKED QUESTIONS AND RESOURCES FOR BUSINESSES AND EMPLOYERS

*Updated May 26, 2020*

The Solano Small Business Development Center (SBDC) and the Workforce Development Board of Solano County are closely monitoring COVID-19 developments and will provide information regarding services and resources for businesses as they become available. The centers remain open in order to provide the growing need of workforce services to the community. Please check our websites for additional information on resources and services: <http://solanosbdc.org> and <http://solanoemployment.org>.

### **Solano County Resources**

On May 21, 2020, Solano County amended its countywide [Shelter at Home Order](#), which includes business reopening guidelines and has extended the Shelter at Home indefinitely. For more information from Solano County:

1. Visit the Solano County [website](#) for regular COVID-19 updates
2. Follow Solano County Public Health Facebook page ([@SolanoCountyPH](#)) for COVID-19 updates
3. Register for [Alert Solano](#) to receive emergency alerts on your mobile device, including COVID-19

### **Business Reopening Guidance**

Solano County and the State of California have outlined stages for business reopening and the guidelines businesses must follow in order to reopen. The County's guidance is outlined in its [Shelter at Home Order](#). The State's guidance is outlined on its [COVID-19 webpage](#). *Click the arrow next to the question to expand the answer.*

#### **1. How do the County and State's guidance regarding business reopening compare?**

The County released guidance for business reopening that categorizes businesses into low-risk, medium-risk, and high risk. The county's guidance has specific guidance for golf courses and dine-in restaurants. The State's guidance categorizes reopening in Stages 1-4 with reopening guidance provided by industry. As of May 25, 2020, Solano County is in Stage 2B of the State's reopening timeline. Where there may be a conflict, the State's guidance will supersede County guidance.

#### **2. What must businesses do in order to reopen?**

Per State guidance, all businesses must perform the following in order to reopen:

1. Perform a detailed risk assessment and implement a site-specific protection plan.  
Completion of the county's Social Distancing Protocol, found in the Shelter at Home Order, equates to this requirement from the state. Dine-in restaurants in Solano must also complete the State's industry checklist and have on-site.
2. Train employees on how to limit the spread of COVID-19, including how to screen themselves for symptoms and stay home if they have them.
3. Implement individual control measures and screenings.
4. Implement disinfecting protocols.

5. Implement physical distancing guidelines.

These requirements are outlined in more detail in the County's Stay at Home Order and in the State's guidance per industry. Once a business meets the County and State guidelines for their respective industry, they may open and no local or state certification is required.

### 3. What industries are currently allowed to be open and what must they do to open?

As of May 25, 2020, the following businesses in the State's Stage 2 industries are allowed to be open as long as they follow the appropriate industry guidance for reopening. For the most up-to-date information, visit the State's [COVID-19 industry webpage](#).

- Agriculture and Livestock – [State reopening guidance](#)
- Auto Dealerships and Rentals – [State reopening guidance](#)
- Childcare – [State reopening guidance](#)
- Dine-in Restaurants – [County reopening guidance](#) can be found in Exhibit C
- Golf Courses – [County reopening guidance](#) can be found in Appendix A
- Life Sciences – [State reopening guidance](#)
- Limited Personal Services – [State reopening guidance](#)
- Logistics and Warehouse – [State reopening guidance](#)
- Manufacturing – [State reopening guidance](#)
- Office Workplaces – [State reopening guidance](#)
- Outdoor Museums – [State reopening guidance](#)
- Religious Services – [State reopening guidance](#)
- Retail Establishments – [State reopening guidance](#)
- Shopping Malls – [State reopening guidance](#)

### 4. If I reopen my business and recall my employees, are they required to return to work?

An individual is disqualified for UI if they refuse to accept "suitable" employment when offered. Under California law, the EDD will consider whether the particular work is "suitable" in light of factors such as the degree of risk involved to the individual's health and safety. For example, if your employer has complied with the state's requirements for reopening, and any and all government safety regulations, you may not have good cause to refuse to return to work and could be disqualified from continuing to receive regular UI benefits for a designated period of time.

Workers are still subject to the stay-at-home order, and thus should not be required to return to work if their employment does not belong to one of the essential or gradually reopening sectors, until further notice by the state or local jurisdictions. You would have good cause to refuse to return to work if the business does not provide an essential service and is not in one of the industries reopening now under the state's [Resilience Roadmap](#) for reopening.

The CDPH has issued [public health guidance](#) urging individuals who are over 65, immunocompromised, or have certain serious chronic health conditions (such as heart disease, lung disease or diabetes) to stay at home due to "higher risk" factors. Even if your employer has complied with the requirements for reopening, you would have good cause to refuse to return to work if you are at greater personal risk due to higher risk factors as identified by the CDPH. However,

you may not have good cause for refusing suitable work if your employer was willing to allow you to telework and you still refused the suitable work. In this scenario, you could be disqualified from continuing to receive regular UI benefits because there was an alternative available to work without compromising your health and safety. Therefore, workers are encouraged to speak with their employers about work options. Employers may have a legal obligation to accommodate certain health conditions. The Department of Fair Employment and Housing has issued [guidance](#) regarding what employers must do to accommodate employees with recognized disabilities.

Individuals are required to accept what is considered “suitable work” which includes working at the prevailing wage based on the individual’s particular skills and/or occupation. But an individual may have good cause to refuse work if the wages, hours, or other working conditions for the work offered are “substantially less favorable” than those prevailing for similar work in the locality. For example, if your employee is offered a job at \$20 per hour but other jobs in your community doing the same type of work at their skill level are typically paid at \$30 per hour, they may have good cause to refuse the work. However, they would not have good cause for refusing the work solely because the wages you are offering for the work is less than the amount they have been receiving in their regular UI benefits.

Under California law, an individual is disqualified for UI if they voluntarily quit without good cause. However, an individual is presumed under the law not to have voluntarily quit without good cause unless the employer provides written notice to the EDD that sets forth contrary facts to overcome this rebuttable presumption. “Good cause” exists to quit work when a substantial motivating factor in causing the individual to quit was real, substantial, and compelling and would cause a reasonable person who genuinely wants to stay employed to quit under the same circumstances. However, before they quit work, they have a duty to try to preserve their employment relationship. If the employee fails to do that, it could negate what may otherwise be good cause for quitting. Individuals may be eligible for regular UI benefits if they can show such good cause for quitting that could include: the employer has not complied with the guidance for safely reopening in your industry; they had childcare or transportation problems that could not be resolved; or they have a disability or condition that the employer could not reasonably accommodate.

**5. If I have reopened and am requesting the employer return to work, but I received a notice from EDD that my employee is continuing to receive Unemployment Insurance, what can I do to inform EDD of the situation?**

You can provide the EDD with information that you requested your employee to return to work and the employee refused. The EDD will use this new information in determining whether your employee can continue to receive UI benefits. You can inform the EDD of this information as follows:

- After you receive a *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) – This notice was mailed to you if you were the employee’s very last employer when a claim for UI benefits was filed by your employee. It provides general information about the claim including the reason the claimant states they are no longer working. This was the first opportunity for you as the last employer to provide eligibility information about the claimant by responding in writing and mailing your response to the notice within 10 days of the mail date located at the top of the notice.

Under the law, if you acquire knowledge of facts that may affect the UI eligibility of the claimant and those facts could not reasonably have been known within this initial 10-day response period, you have 10 days after acquiring that new knowledge to submit those facts to the EDD. Thus, within 10 days of your employee's refusal to return to work, you may send a letter to the EDD at the address listed on the original notice that was provided when you received the *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ), in order to inform the EDD of this information.

- After you received a *Notice of Wages Used for Unemployment Insurance Claim* (DE 1545) – This notice was mailed to all base period employers after the first payment was made on a UI claim. It advises employers of the percentage of benefits chargeable to their employer reserve account. This notice provides base period employers with the opportunity to submit eligibility information about the claimant by responding in writing and mailing the response within 15 days from the mail date located at the top of the notice.

Under the law, base period employers may also submit information about the claimant's UI eligibility that is newly detected after the initial 15-day response period. The base period employer must respond within 15 days of identifying new eligibility information. Thus, within 15 days of your employee's refusal to return to work, you may send a letter to the EDD at the address listed on the *Notice of Wages Used for Unemployment Insurance Claim* (DE 1545), in order to inform the EDD of this information.

### **Federal and State Paid Employee Sick Leave**

The Families First Coronavirus Response Act (FFCRA), signed into law March 18, 2020, provides emergency expansion of the Family and Medical Leave Act (FMLA), federal paid sick leave, and emergency Unemployment Insurance stabilization and access. For more detail on FFCRA requirements, visit the Department of Labor's (DOL) [webpage](#). California has outlined additional leave options for certain workers. *Click the arrow next to the question to expand the answer.*

#### **6. When does the FFCRA paid leave take effect?**

The paid leave provisions are effective on April 1, 2020 and apply to leave taken between April 1, 2020 and December 31, 2020.

#### **7. How does the Emergency Paid Sick Leave apply to employees?**

Federal paid sick leave applies to employees who work for an employer with less than 500 employees and provides up to 80 hours of paid sick leave at full-time employee's regular rate or 2/3 of that rate for COVID-19 depending on the reason. The Department of Labor's Wage and Hours Division released guidance on March 24<sup>th</sup> regarding FFCRA Rights for Employees.

#### **8. How does the FFCRA affect family and medical leave (FMLA) provisions?**

Emergency FMLA provides protections for employees who work for an employer with less than 500 employees and have been employed for at least thirty (30) calendar days (from the date the leave

would have begun). The Emergency FMLA Expansion Act is paid leave only when such leave exceeds 10 days. This is only for leave taken because the employee must care for a child whose school or place of care is closed, or childcare is unavailable, due to COVID-19. Individuals are able to take up to twelve weeks of expanded family and medical leave, ten of which are paid. View more information from the [Department of Labor, Wage and Hours Division](#).

**9. Is my business required to provide paid sick leave or expanded FMLA?**

The FFCRA applies to all private business and public agencies with less than 500 employees, with some exceptions. Your employee count is based on full-time and part-time employees within the United States at the time your employee's leave is to be taken, including employees on leave, temporary employees who are jointly employed by you and another employer, and day laborers. Healthcare providers and emergency responders may be exempt from FFCRA. In addition, an employer, including a religion or nonprofit organization, with fewer than 50 employees is exempt from providing paid sick leave or expanded family and medical leave due to school closures when doing so would jeopardize the viability of the small business (businesses must document why they meet this criteria). Employers who are shut down due to a government order are also exempt from providing leave.

**10. What would qualify a small business under 50 employees to be exempt from the FFCRA requirement to provide paid leave or expanded FMLA due to school or childcare closures?**

An employer, including a religious or nonprofit organization, with fewer than 50 employees is exempt from providing paid sick leave or expanded FLMA for individuals due to school or place of care closures or childcare provider unavailability when doing so would jeopardize the viability of the small business. This exemption only applies for the school or childcare closure and does not apply for the other qualifying COVID-19 reasons.

A small business may claim this exemption if an authorized officer of the business has determined that:

- The provision of paid sick leave or expanded FMLA would result in the small business's expenses and financial obligations exceeding available business revenues and cause the small business to cease operating at a minimal capacity;
- The absence of the employee(s) requesting paid sick leave or expanded FMLA would entail a substantial risk to the financial health or operational capabilities of the small business because of their specialized skills, knowledge of the business, or responsibilities; or
- There are not sufficient workers who are able, willing, and qualified, and who will be available at the time and place needed, to perform the labor or services provided by the employee(s) requesting paid sick leave or expanded FMLA, and these labor or services are needed for the small business to operate at a minimal capacity.

Businesses must document why they meet the criteria for exemption. While use of the exemption must be made on an individual basis, regulations make clear that a small business employer will not be required to apply for the exemption each time it is used. Instead of sending documentation to the USDOL, the employer's officer must prepare documentation explaining that one of the above-listed criteria has been met. Any documentation prepared in support of the election must be retained for at least four years.

**11. Are there any notification requirements for employers?**

Yes. Employers must post the [FCCRA Employee Rights](#) notice in a conspicuous place on its premises. If employees are teleworking, an employer may satisfy this requirement by emailing or direct mailing this notice to employees or posting the notice on an employee information internal or external website. The notice requirements only apply to current employees and new hires, not to recently laid-off employees or new job applicants. You may download and print the notice yourself or obtain a free poster from DOL's Wage and Hour Division at 1-866-487-9243.

**12. What circumstances qualify for workers to use Emergency Paid Sick Leave?**

Your employees qualify for taking paid sick leave if they are unable to work or telework due to the following circumstances. The Department of Labor (DOL) released a [temporary rule](#) with more details.

- **Quarantine or Isolation Order** – The employee is subject to a federal, state, or local quarantine or isolation order related to COVID-19. DOL's temporary rule states that a governmental Shelter at Home Order may count as a quarantine or isolation order. However, if an employer is shut down due to a government order which prevents the employee from working, the employee does not qualify. Additionally, employees who can telework would not qualify under a Shelter at Home Order.
- **Self-Quarantine Advisement** – The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19. DOL's temporary rule states the self-quarantine must be based on the health care provider's belief that the employee has COVID-19, may have COVID-19, or is particularly vulnerable to COVID-19. The self-quarantine must prevent the employee from working. For example, if the employee is still able to telework during self-quarantine, they do not qualify.
- **Experiencing Symptoms** – The employee is experiencing symptoms of COVID-19 (as identified by the CDC) and are seeking medical diagnosis. The DOL's temporary rule states that this sick leave is limited to the time the employee is unable to work because they are taking steps to obtain a medical diagnosis. The rule states an employee may not take paid sick leave to self-quarantine without seeking medical diagnosis. An employee who is awaiting results, but is able to telework, will not generally be eligible for paid sick leave, unless their symptoms prevent them from working. Employees who show symptoms and seek medical advice but are told they do not meet testing criteria and should self-quarantine generally qualify unless they are able to telework.
- **Caring for an Individual Subject to Quarantine** – The employee is caring for an individual who is subject to a federal, state or local quarantine or isolation order related to COVID-19 or an individual who has been advised by a healthcare provider to self-quarantine due to concerns related to COVID-19.
- **School or Childcare Closures** – The employee is caring for their child whose school or place of care is closed, or childcare is unavailable, due to COVID-19 related reasons. This leave may be taken to care for their non-disabled child if he or she is under the age of 18, or for a disabled child over 18 who cannot care for him or herself. Employees may only take paid sick leave or expanded family and medical leave if caring for their child and are unable to work. Generally, only one guardian may take this leave. This leave applies if the physical location of care is closed, even if their child's school or place of care has moved to online instruction.
- **Substantially-Similar Conditions** – The employee is experiencing any other substantially-similar condition that may arise, as specified by the Secretary of Health and Human Services.

As of April 5, 2020, the U.S. Department of Health and Human Services had not yet identified any substantially similar condition that would allow an employee to take paid sick leave.

**13. Can an employee stay home under FMLA leave to avoid getting COVID-19?**

The FMLA protects eligible employees who are incapacitated by a serious health condition. Leave taken by an employee for the purpose of avoiding exposure to COVID-19 would not be protected under the FMLA.

**14. What advance notice or documentation must my employee provide to use paid leave or expanded FMLA?**

DOL's temporary rule states you may not require advance notice of leave; notice may only be required after the first workday for which an employee takes FFCRA leave. The notice may be oral. The employee is required to provide the following information to take leave: name, dates requested, qualifying reason for leave, and an oral or written statement that the employee is unable to work because of the qualifying reason for leave. Additional documentation is required depending on which type of leave is requested:

- Isolation/quarantine order – name of government entity issuing the order;
- Self-quarantine order – name of the healthcare provider;
- Seeking medical treatment/diagnosis – name of government entity or healthcare provider;
- School/childcare closure – name of child, name of school/childcare provider, representation that no other suitable person will be caring for the child during the period for which the employee takes leave.
- You may also request an employee to provide additional information needed for you to request tax credits pursuant to the FFCRA.

If you intend to claim a tax credit under the FFCRA for your payment of the sick leave or expanded FMLA, you should retain this documentation in your records. You are not required to provide leave if materials outlined above to support the applicable tax credit have not been provided.

**15. If my employees work part-time, can they take advantage of the paid sick leave or expanded FMLA?**

Yes. A part-time employee is entitled to leave for his or her average number of work hours in a two-week period. The employee's leave hours would be based on the number of hours they would normally be scheduled to work. If their weekly hours vary, you may use a month average of hours to determine the average daily hours. A part-time employee may take paid sick leave for this average number of hours per day for up to a two-week period and may take expanded FMLA for the same number of hours per day up to ten weeks after that.

**16. How much must I pay an employee while taking paid sick leave or expanded FMLA?**

If the employee is taking leave due to quarantine or isolation orders, self-quarantine advisement, or they are experiencing symptoms (defined in #10), they are entitled to the greater of their regular rate of pay (the average of their regular rate over the prior 6 months), the federal minimum wage, or the application state or local minimum wage. If the employee is paid with commissions, tips, or piece rates these amounts must be included in the calculation. Under these circumstances, the employee is entitled to a maximum of \$511 per day, or \$5,110 total over the entire paid sick leave period.

If the employee is taking paid sick leave because they are caring for an individual subject to quarantine, affected by school closures, or substantially-similar conditions (defined in #10), they are entitled to compensation at 2/3 of the greater of their regular rate of pay, the federal minimum wage, or the application state or local minimum wage.

If the employee is taking expanded FMLA, the first two weeks are unpaid. Your employee may take paid sick leave for the first two weeks of that leave period, or they may substitute any accrued vacation leave, personal leave, or medical or sick leave they have under your benefits. For the following ten weeks, they are entitled to pay for their leave at an amount no less than 2/3 of their regular rate of pay for the hours they would be normally scheduled to work. Overtime hours must be included in expanded FMLA if your employee is normally scheduled to work more than 40 hours. If your employee takes paid sick leave during the first two weeks of expanded FMLA, they are entitled to a maximum of \$200 per day or \$12,000 for the twelve weeks that includes both paid sick leave and expanded FMLA.

**17. If my place of business is open, but I furlough employees or reduce their hours on or after April 1, 2020, do I need to pay employees paid sick leave or expanded FMLA?**

No. If you furlough an employee or reduce their work hours because you do not have enough work for them, they are not entitled to paid sick leave or expanded FMLA. However, they may be eligible for UI benefits and should be encouraged to apply.

**18. Do I need to continue health coverage if an employee takes paid sick leave or expanded FMLA?**

If you provide health coverage that an employee participates in, they are entitled to health coverage during their expanded FMLA on the same terms as if they continued to work. The employee generally must continue to make any normal contributions to the cost of their health coverage.

**19. Does the expanded FMLA extend the length of FMLA leave for an employee?**

No. The expanded family and medical leave does not extend the length of leave allowable under FMLA. The employee may take a total of 12 workweeks of leave during a 12-month period under FMLA, including the Emergency Family and Medical Leave Expansion Act.

**20. How do I access the tax credit associated with paid sick leave and expanded FMLA?**

The US Treasury, IRS, and Department of Labor released information on March 20, 2020 regarding the [refundable payroll tax credits](#) to immediately and fully reimburse small and midsize businesses for this leave. Forms and instructions can be found at [www.irs.gov/forms-pubs/about-form-7200](http://www.irs.gov/forms-pubs/about-form-7200).

California Paid Sick Leave

**21. Can an employee use California Paid Sick Leave due to COVID-19 illness?**

Yes. If the employee has paid sick leave available, the employer must provide such leave and compensate the employee under [California paid sick leave laws](#). Paid sick leave can be used for absences due to illness, the diagnosis, care or treatment of an existing health condition or preventative care for the employee or the employee's family member.

Preventative care may include self-quarantine as a result of potential exposure to COVID-19 if quarantine is recommended by civil authorities. In addition, there may be other situations where an employee may exercise their right to take paid sick leave, or an employer may allow paid sick leave for preventative care. For example, where there has been exposure to COVID-19 or where the worker has traveled to a high risk area.

**22. Do food sector workers have additional paid sick leave options due to COVID-19?**

Yes. On April 16, 2020, Governor Newsom issued [Executive Order N-5-20](#) that provides new paid sick leave for employers with 500 or more employees in the United States. Food sector workers are entitled to supplemental paid sick leave related to COVID-19 if they are unable to work due to:

- Federal, State, or local quarantine or isolation order related to COVID-19;
- Is advised by a healthcare provider to self-quarantine or self-isolate due to concerns related to COVID-19; or
- Is prohibited from working by their employer due to health concerns related to the potential transmission of COVID-19.

Food sector workers are entitled to 80 hours of COVID-19 Supplemental Paid Sick Leave if they work full time or has worked or were scheduled to work on average at least 50 hours per week in the two weeks preceding the date the worker took leave. Part-time workers are entitled to the total number of hours normally scheduled to work over a two-week period.

### Worker Considerations

The following FAQs relate to worker protections and considerations. *Click the arrow next to the question to expand the answer.*

**23. Can I require my employees to exhaust their employer-paid sick leave?**

You cannot require that employees use their paid sick leave. If your employee decides to use paid sick leave, you can require that they take a minimum of two hours of paid sick leave. For more information, visit the California Labor Commissioner's Office's [FAQs](#).

**24. If an employee reports to work and then is sent home, am I required to pay them?**

Generally, if an employee reports for their regularly scheduled shift, but is required to work fewer hours or is sent home, they must be compensated for at least two hours of reporting time pay. However, reporting time pay does not apply when operations cannot commence or continue when recommended by civil authorities. The means that reporting time pay does apply under a state of emergency, unless the state of emergency includes a recommendation to cease operations.

**25. Are exempt employees entitled to a full week's salary for work interruptions due to a shutdown of operations?**

An employee is exempt if they are paid at least the minimum required salary and meet the other qualifications for exemptions. Federal regulations require that employers pay an exempt employee performing any work during a week their full weekly salary if they do not work the full week because the employer failed to make work available. An exempt employee who performs no work at all during a week may have their weekly salary reduced. For more information, visit the California Labor Commissioner's Office's [FAQs](#).

**26. Do OSHA regulations and standards apply to a home office?**

The Department of Labor's Occupational Safety and Health Administration (OSHA) does not have any regulations regarding telework in home offices. OSHA will not conduct inspections of employees' home offices, will not hold employers liable for employees' home offices, and does not expect employers to inspect the home offices of their employees. If OSHA receives a complaint about a home office, the complainant will be advised of OSHA's policy. If an employee makes a specific request, OSHA may informally let employers know of complaints about home office conditions, but will not follow-up with the employer or employee.

Employers who are required to keep records of work-related injuries and illnesses will continue to be responsible for keeping such records for injuries and illnesses occurring in a home office. Employers would still be required to maintain an accurate record of hours worked for all employees, including those participating in telework or other flexible work arrangements.

When a covered employee is required to provide the tools and equipment (e.g., computer, internet connection, facsimile machine, etc.) needed for telework, the cost of providing the tools and equipment may not reduce the employee's pay below that required by the FLSA.

**27. May employers send employees home if they show symptoms of COVID-19?**

It is important to prepare a plan of action specific to your workplace regarding COVID-19. This plan or policy could permit you to send employees home, but the plan and the employment decisions must comply with the laws prohibiting discrimination in the workplace on the basis of race, sex, age (40 and over), color, religion, national origin, disability, or veteran status. It would also be prudent to notify employees (and if applicable, their bargaining unit representatives) about decisions made under this plan or policy at the earliest feasible time.

Your company policies on sick leave, and any applicable employment contracts or collective bargaining agreements would determine whether you should provide paid leave to employees who are not at work. If the leave qualifies as FMLA-protected leave, the statute allows the employee to elect or the employer to require the substitution of paid sick and paid vacation/personal leave in some circumstances.

**28. May I require an employee who is out sick with COVID-19 to provide a doctor's note, submit to a medical exam, or remain symptom-free for a specified amount of time before returning to work?**

Yes; however, employers should consider that during a pandemic, healthcare resources may be overwhelmed and it may be difficult for employees to get appointments with doctors or other health care providers to verify they are well or no longer contagious.

During a pandemic health crisis, under the Americans with Disabilities Act (ADA), an employer would be allowed to require a doctor's note, a medical examination, or a time period during which the employee has been symptom free, before it allows the employee to return to work. Specifically, an employer may require the above actions of an employee where it has a reasonable belief – based on objective evidence – that the employee's present medical condition would

- impair his ability to perform essential job functions (i.e., fundamental job duties) with or without reasonable accommodation, or,
- pose a direct threat (i.e., significant risk of substantial harm that cannot be reduced or eliminated by reasonable accommodation) to safety in the workplace.

**29. Is it a requirement to cover COVID-19 under my Workers' Compensation insurance?**

Yes. Governor Newsom signed [Executive Order](#) on May 6, 2020 that provides Workers' Compensation Benefits for workers who contract COVID-19 during the Stay at Home Order. The Order creates a time-limited rebuttable presumption for accessing workers' compensation benefits applicable to Californians who must work outside of their homes during the stay at home order. Eligible workers are those who tested positive for COVID-19 or were diagnosed with COVID-19 and confirmed by a positive test within 14 days of performing a labor or service at a place of work after the stay at home order was issued on March 19, 2020. The presumption will stay in place until July 6, 2020.

**Layoffs and Employee Reductions**

State Unemployment Information for your employees can be found at [California Employment Development Department \(EDD\)](#). See our [Resources for Job Seekers and Workers](#) for more detailed information on Unemployment Insurance. *Click the arrow next to the question to expand the answer.*

**30. What can I do for my employees if my business has slowed due to COVID-19 and I had to reduce their hours?**

If COVID-19 has impacted your business or services, you can avoid potential layoffs by participating in the Unemployment Insurance (UI) [Work Sharing Program](#). This program allows you to retain your workers by reducing their hours and wages no more than 60 percent and partially offsetting the wage loss with UI benefits. This helps you avoid the cost of recruiting, hiring, and training new workers and helps your workers keep their jobs and receive some financial support with UI benefits.

**31. What if I have to let go of some of my workers temporarily until business improves?**

Your workers can [file for unemployment benefits](#) as long as they are unemployed and otherwise eligible. Workers who expect to return to work for you within a few weeks are not required to actively seek work as long as they are able and available to return to work and meet all other eligibility criteria. The EDD will explain the requirements to your workers during application. This applies for individuals that are furloughed as well as formally laid off. Individuals who you plan to rehire after COVID-19 are not required to actively seek work each week to receive benefits.

**32. What layoff notification requirements are in place during COVID-19?**

Governor Newsom has issued an [Executive Order](#), which suspends the 60-day notice requirement for layoff notification for businesses laying off over 50 employees to permit employers to act quickly in order to mitigate or prevent the spread of coronavirus. To qualify, the layoff must be caused by COVID-19-related business circumstances that were not reasonably foreseeable. The employer must provide written notices to: affected employees; all representatives of the affected employees (unions); the Employment Development Department ([eddwarnnotice@edd.ca.gov](mailto:eddwarnnotice@edd.ca.gov)); the Local Workforce Development Board ([aziomek@solanowdb.org](mailto:aziomek@solanowdb.org)); and the chief elected official of each city and county government within which the layoff occurs. The Executive Order is in place from

March 4, 2020 through the end of the state of emergency. For more information, visit [https://edd.ca.gov/About\\_EDD/coronavirus-2019/faqs/Warn.htm](https://edd.ca.gov/About_EDD/coronavirus-2019/faqs/Warn.htm).

**33. Is there assistance in navigating or preventing layoffs?**

Yes. If you are facing potential layoffs or plant closures, you can get help from the Workforce Development Board (WDB) of Solano County through the Rapid Response and Layoff Aversion programs.

Rapid Response teams will meet virtually with you to discuss your anticipated or recent layoff and support your workers through the process. Services can include upgrades to current worker skills, customized training, career counseling, job search assistance, help with filing unemployment insurance claims, and information about education and training opportunities. For more information, please complete the [Request for Information](#) or contact April Ziomek-Portillo, Sr. Manager of Business Services with the Workforce Development Board (WDB) of Solano County at 707-863-3569 or [aziomek@solanowdb.org](mailto:aziomek@solanowdb.org).

The WDB has also launched a Layoff Aversion Fund to provide micro-grants to businesses under 500 employees for activities or purchases that would avert layoffs. Funds may be used for costs such as purchasing equipment to allow employees to work remotely, sanitation and health safety measures to keep employees working on-site for essential businesses, costs to convert to online sales, or other activities that would save jobs. For more information and to apply, visit the [WDB website](#).

**34. What if I am worried as an employer that I may be unable to timely reimburse the state for unemployment benefits it provides to my employees?**

Contact your state unemployment insurance office to learn what options may be available for delaying reimbursement payments. The CARES Act allows states to provide maximum flexibility to reimbursing employers as it relates to timely payments in lieu of contributions and assessment of penalties and interest. The U.S. Department of Labor will soon be issuing guidance on how states should implement this provision.

**SBA Economic Injury Disaster Loans and Emergency Economic Injury Grants**

**35. What is an Economic Injury Disaster Loan (EIDL) and what is it used for?**

EIDLs are lower interest loans of up to \$2 million, with principal and interest deferment of 6 months. to pay for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses. Businesses with 500 or fewer employees including sole proprietorships (with or without employees), independent contractors, cooperatives and employee-owned businesses, tribal small businesses, small agricultural cooperatives, and most non-profit organizations.

**36. What is an Emergency Advance Loan?**

These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within seven – ten days of applying for an SBA EIDL. The amount provides up to \$1,000 per employee up to a total of 10 employees. To access the advance, first apply for an EIDL and then request the advance. The advance does not need to be repaid and may be used to keep employees on payroll, pay for sick leave, meet increased production costs due to

supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments. These grants are available from January 31, 2020 – December 31, 2020 and are backdated to January 31, 2020 to allow those who have already applied for EIDLs to be eligible.

**37. How do I apply for an EIDL?**

Visit <https://disasterloan.sba.gov/ela>. *NOTE:* The SBA website for applying for the EIDL loans was updated on March 29, 2020. Any clients who applied before March 29, 2020 and have not heard back from the SBA about their application should re-apply on the new website.

**38. Is assistance available to me in applying for an EIDL?**

Yes. The Solano Small Business Development Center (SBDC) has Business Advisors that can help for-profit small businesses at no cost. The SBDC is operating virtually and can provide technical assistance to businesses in completing their loan applications by going to the website at <http://solanosbdc.org> and clicking “Apply Now” button on the SBDC homepage to request advisor services or by calling 707-646-1071.

**Coronavirus Aid, Relief, and Economic Security (CARES) Act**

The federal CARES Act was signed on March 27, 2020. The new law is a \$2 trillion economic stimulus package designed to repair the economic damage caused by COVID-19 and includes a number of measures to streamline and increase small businesses’ access to Small Business Administration’s (SBA) loans. View NorCal SBDC’s [Understanding the CARES Act](#) for more detailed information. *Click the arrow next to the question to expand the answer.*

**39. Does the CARES Act provide UI benefits for self-employed individuals?**

Yes. The CARES Act adds Pandemic Unemployment Insurance (PUA), which provides coverage for individuals not normally eligible for UI benefits, including self-employed individuals, those seeking part-time employment, individuals lacking sufficient work history, and those who would not otherwise qualify for UI or PEUC benefits. This benefit excludes individuals able to telework full-time with pay or individuals receiving paid leave. To be eligible, individuals must provide self-certification that they are otherwise able and available to work but are unable to work due to COVID-19. PUA will be effective for weeks beginning January 27, 2020 through December 31, 2020 and includes up to 39 weeks of benefits. More details can be found on the WDB COVID-19 FAQs for Job Seekers and Workers or at [https://edd.ca.gov/about\\_edd/coronavirus-2019/pandemic-unemployment-assistance.htm](https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm).

**40. How does the CARES Act ease retirement withdrawals for my employees?**

If you adopt the CARES Act provisions in your retirement plan, your employees can access coronavirus-related distributions without a tax penalty. Coronavirus-related distributions can be made available from January 1, 2020 to December 31, 2020 to the following qualified individuals:

- Individuals diagnosed with COVID-19 by a test approved by the CDC;
- Individuals whose spouse or dependent is so diagnosed;
- Individuals who experience adverse financial consequences as a result of being quarantined; furloughed, laid off, or having work hours reduced due to COVID-19; being unable to work due to lack of child care due to COVID-19; closing or reducing hours of a business owned or

operated by the individual due to COVID-19; or other factors as may be determined by Treasury.

Employers will be permitted to rely on an employee's certification that he or she satisfies the above conditions in determining whether a distribution is coronavirus-related. For more details visit, [401K Help Center](#).

#### Paycheck Protection Program (PPP) Loans

##### **41. What are Paycheck Protection Program (PPP) loans?**

PPP loans provide cash-flow assistance through 100% federally-guaranteed loans to employers who maintain their payroll during this emergency. If employers maintain their payroll, the loans will be forgiven. The PPP includes forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least six months of deferral with maximum deferrals up to one year. Businesses may apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020.

##### **42. Which businesses are eligible for a PPP loan?**

Businesses must have been in operation on February 15, 2020. Businesses eligible include small businesses, 501(c)(3) nonprofit organization, a 501(c)(18) veterans organization, or a Tribal business that has fewer than 500 employees, or the applicable size standard in number of employees for the NAICS industry as provided by SBA if higher. Individuals who operate a sole proprietorship or as an independent contractor and eligible self-employee individuals.

##### **43. How is the forgiveness amount calculated?**

Forgiveness on a covered loan is equal to the sum of payroll costs plus any payment of interest on any covered mortgage obligation (not including any prepayment or payment of principal on a covered mortgage obligation) plus any payment on any covered rent obligation plus any covered utility payment incurred during the covered 8 week period compared to the previous year or time period, proportionate to maintaining employees and wages (excluding compensation over \$100,000).

##### **44. How do I get forgiveness on my PPP loan?**

You must apply through your lender for forgiveness on your loan. Your application must include documentation verifying the number of employees on payroll and payrates, documentation verifying payments on covered mortgage obligations and utilities, certification from an authorized representative of your business that the documentation provided is true and that the amount that is being forgiven was used in accordance with the program's guidelines for use.

#### Small Business Debt Relief

##### **45. What is the Small Business Debt Relief Program?**

The [Small Business Debt Relief](#) program will provide immediate relief to small businesses who have non-disaster Small Business Administration (SBA) loans. 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 between March 27, 2020 and September 27, 2020.

**46. Which SBA loans are eligible for debt relief under this program?**

Eligible loans are 7(a) loans not made under the PPP, 504 loans, and microloans. Disaster loans are not eligible.

Express Bridge Loan

**47. What is an SBA Express Bridge Loan?**

The Express Bridge Loan Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly. They can be term loans or used to bridge the gap while applying for a direct SBA EIDL.

**48. Is there any assistance I can access to help me apply for an SBA loan?**

Yes. The Solano Small Business Development Center (SBDC) has Business Advisors that can help for-profit small businesses at no cost. The SBDC is operating virtually and can provide technical assistance to businesses in completing their loan applications by going to the website at <http://solanosbdc.org> and clicking “Apply Now” button on the SBDC homepage to request advisor services or by calling 707-646-1071.

**Other Resources and Information**

The following FAQs are a compilation of other resources and information available for businesses and employers. *Click the arrow next to the question to expand the answer.*

**49. What is considered an essential business during Shelter in Place orders?**

Governor Newsom signed a [Shelter in Place Executive Order](#) that went into effect on March 19, 2020 for the State of California that closed all businesses except essential critical infrastructure businesses as defined by [CISA](#). The state provided a detailed description of what constitutes an essential [critical infrastructure business](#) on March 22, 2020.

**50. How can I let the community know I’m open for business during the Shelter at Home?**

Solano County cities have been compiling businesses open during the Shelter at Home. See below for a list of open businesses in each city:

- [Benicia](#) – maintained by Visit Benicia – to add your business, email [edev@ci.benicia.ca.us](mailto:edev@ci.benicia.ca.us)
- [Fairfield](#) – maintained by Visit Fairfield – to add your business, email [info@visitfairfieldca.com](mailto:info@visitfairfieldca.com)
- [Rio Vista](#) – maintained by Rio Vista City
- [Vacaville](#) – maintained by the City of Vacaville – to add your business, email [cinfor@cityofvacaville.com](mailto:cinfor@cityofvacaville.com)
- [Vallejo](#) – maintained by the City of Vallejo – to add your business, contact Annette Taylor at [Annette.taylor@cityofvallejo.net](mailto:Annette.taylor@cityofvallejo.net)

**51. What if I can’t file or pay my payroll taxes on time because of COVID-19?**

With the Governor’s March 30<sup>th</sup> [Executive Order](#), if your business is directly affected by COVID-19, you can request up to a 60-day extension to file your state payroll reports and deposit state payroll taxes without penalty or interest. The written request for extension, noting the impact of COVID-19, must be received within 60 days from the original delinquent date of the payment or return. For

the address to send the request, along with other information, please see the [State of Emergency or Disaster Fact Sheet \(DE 231SED\) \(PDF\)](#).

Businesses may also defer the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021 and the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes, and half of the SECA tax liability. Employers receiving assistance through the PPP are not eligible for this deferral.

You can also call the EDD Taxpayer Assistance Center with any questions you may have about your payroll tax responsibilities at 1-888-745-3886 or (TTY) 1-800-547-9565.

**52. Are there any additional tax credits available to businesses during COVID-19?**

Yes. The [Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship](#) provides a refundable payroll tax credit for 50% of wages paid by eligible employers to certain employees during the COVID-19 crisis. The credit is available to employers, including non-profits, who are not receiving assistance through the PPP Loan and whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings. The credit is also provided to employers who have experienced over a 50% reduction in quarterly receipts, measured on a year-over-year basis. This credit is provided through December 31, 2020.

Wages of employees who are furloughed or face reduced hours as a result of business closure or economic hardship are eligible for the credit. For employers with 100 or fewer full-time employees, all employee wages and compensation are eligible, regardless of whether an employee is furloughed. Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave.

**53. What can I do to protect my workers from COVID-19?**

The [Centers for Disease Control and Prevention Guidance for Business and Employers](#) includes basic precautions like proper handwashing and cleaning, as well as making sure your sick leave policies are flexible and consistent with public health guidance. Visit [Cal/OSHA Guidance on Coronavirus](#) to learn more about workplace requirements. Spanish language OSHA guidance on workplace safety is available: [Overview](#) and [OSHA Guidance](#).

**54. Will my insurance cover COVID-19 as a “Business Interruption”?**

Business Interruption Insurance is insurance coverage that replaces income lost in the event that business is suspended from a cause of loss or peril, and applies if government actions cause operations to cease temporarily. This type of insurance also covers operating expenses, payroll, taxes, and loan payments. Businesses are encouraged to review their policies and contact their insurance companies or brokers to determine what their policies cover as each insurance policy is different and the coverage varies on the type of policy you have.