VT Gubernatorial Executive Action

Governor Scott Executive Order 01-20 and Addendums/Directives

The State of Vermont Economic Mitigation & Recovery Task Force was established by Governor Scott on April 14, 2020. The Task Force is charged with providing technical assistance and expertise to mitigate the devastating short-term economic impacts of the COVID-19 pandemic, and with developing strategies designed to speed long-term business and community recovery. The task force is comprised of job creators, community leaders and business representatives from each region.

Addendum 9 to Executive Order 01-20 extends the State of Emergency and many associated social gathering prohibitions until May 15. Additionally, Addendum 9 authorizes lodging facilities to resume acceptance of reservations for stays and events beginning June 15, 2020.

Addendum 6 to Executive Order 01-20 issues a stay home, stay safe order. This order only permits operation of businesses critical to public health and safety, as well as economic and national security. The Agency of Commerce and Community Development has issued sector specific guidance to help business owners in determining how their business is impacted.

Gubernatorial Direct 4 allows the take-out and delivery of alcoholic beverages accompany food orders.

Executive Order No. 01-20 directs Agency of Commerce and Community Development to work with the US Small Business Administration and the Vermont Small Business Development Center to Survey Businesses to Determine the economic impact of losses for the disaster for purposes of pursuing SBA Economic Injury Disaster Loans. Also expands unemployment insurance to quarantined Vermonters and removes the work search requirement for workers affected by the temporary COVID-19 related closure of a business.

Rooms and Meals Tax:
Rooms and Meals Tax relief provided by Governor Scott. Governor Scott directed the Tax Commissioner to exercise his authority to provide relief to Vermont businesses who owe Meals and Rooms Tax or Sales and Use Tax until further notice. Taxpayers who are unable to meet filing deadlines will not be charged any penalty or interest on these taxes for late submissions.

Essential Businesses:
Businesses with questions or requests regarding the acceptable continuation of business operations should contact the Agency of Commerce and Community Development via this online form.
State Legislation

H.742 amends unemployment insurance criteria and law and ensures experience-rating records of an employer shall not be charged for benefits paid to an individual due to the individuals COVID-19 related unemployment. (LAW)

S.333 establishes a moratorium on ejectment and foreclosure actions during the COVID-19 emergency. (Senate Passed, NOT LAW)

Federal Executive Action

Tax payment deadline extension The IRS have extended tax filing deadline for 90 days and mortgage foreclosures by 60 days.

Small Business Administration:

The SBA approved Governor Scott’s request for a Disaster Declaration available to all businesses and non-profit organizations in all Vermont counties. These Economic Injury Disaster Loans (EIDL) provide up to $2 million in assistance per business. Uses include: fixed debt payment, payroll, accounts payable and other unpaid bills resulting from the disaster. Interest rates are 3.75% for small businesses and 2.75% for private non-profit organization. Apply here and contact SBA customer service at 1 (800) 659-2955 or disastercustomerservice@sba.gov with questions.

Federal Legislation

H.R.748, the CARES Act. In the overall $377 billion included for small business relief, the bill provides $350 billion in loan forgiveness grants to small businesses and non-profits to maintain existing workforce and help pay for other expenses like rent, mortgage, and utilities, $10 billion for SBA emergency grants of up to $10,000 to provide immediate relief for small business operating costs and $17 billion for the Small Business Administration (SBA) to cover 6 months of payments for small businesses with existing SBA loans.

Unemployment insurance resources include $260 billion to facilitate paycheck amounting to a $600 increase for every American, which equates to 100 percent of wages for the average American without a paycheck struggling through the crisis, and provides for the extension of benefits to provide an additional 13 weeks of federally-funded unemployment insurance benefits are immediately be made available. Additionally, the bill expands access to unemployment: allowing part-time, self-employed, and gig economy workers to access UI benefits.

To accommodate additional crisis response, the legislation provides $1 billion for the Defense Production Act to bolster domestic supply chains, enabling industry to quickly ramp up production of personal protective equipment, ventilators, and other urgently needed medical supplies, $3.5 billion in additional funding for the Child Care Development Block Grant to provide child care assistance to health
care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to the coronavirus. It also allocates more than $6.5 billion in Federal funding for CDBG, the Economic Development Administration, and the Manufacturing Extension Partnership to help mitigate the local economic crisis and rebuild impacted industries such as tourism or manufacturing supply chains and $562 million to help small businesses by ensuring SBA has the resources to provide Economic Injury Disaster Loans (EIDL) to businesses that need financial support.

The legislation also provides all U.S. residents with adjusted gross income up to $75,000 ($150,000 for married couples) a $1,200 ($2,400 for couples) “rebate” payment with additional eligibility of $500 per child. The payments would start phasing out for earners above those income thresholds and would not go to single filers earning more than $99,000; head-of-household filers with one child, more than $146,500; and more than $198,000 for joint filers with no children. Read a full summary here. (LAW)

H.R.6201, the Families First Coronavirus Response Act creates a new federal sick leave law that requires employers to provide up to 80 hours of paid sick leave for COVID-19 issues (Part-time employees would be paid the equivalent to the number of hours they typically work in a two-week period). After the 10 days of paid sick leave are used, 12 weeks of paid FMLA leave would be available to employees who have been employed with an employer for at least 30 days, who are out in order to care for children if schools or daycare is closed because of the pandemic, AND are unable to telework. This leave would be at 2/3 of their regular rate. Each quarter, the employers would receive a 100% tax credit on both the paid leave and paid FMLA wages. It takes effect 15 days after enactment and remains in place until December 31, 2020. There are obviously a lot of concerns about the immediate cashflow problems related to floating 80 hours full and up to 12 weeks 2/3s pay. US DOL Employer factsheet. (LAW)

H.R.6074, the Coronavirus Preparedness and Response Supplemental Appropriations Act allows SBA to provide $7 billion in low-interest loans to small businesses impacted by COVID-19. (LAW)

State Agency Resource List:

Vermont Agency of Commerce and Community Development Resource Center

Vermont Agency of Commerce and Community Development COVID-19 Guidance

Vermont Department of Labor COVID-19 Guidance

Vermont Department of Taxes Guidance

Federal Agency Resource List:

Paycheck Protection Program Compliance Requirements

EEOC: What You Should Know About COVID-19, the ADA, the Rehabilitation Act and Other EEO Laws
US Small Business Guidance and Loan Resources related to COVID-19

US Department of Labor COVID-19 FMLA Guidance

IRS COVID-19 Tax Relief Guidance

Actions by Other States:

State by State Restaurant COVID-19 Restaurant Regulations