

PilieroMazza Weekly Update for Government Contractors and Commercial Businesses July 7, 2020

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COVID-19 CLIENT RESOURCE CENTER: To access resources for businesses navigating the COVID-19 crisis, we invite you to visit PilieroMazza's "<u>COVID-19 Client Resource Center</u>." Please contact <u>covid19@pilieromazza.com</u> for immediate assistance.

LABOR & EMPLOYMENT LAW

DC Launches Paid Family Leave Program July 1—What Employers Need to Know, July 1, 2020, Nichole Atallah, Sarah Nash and Sara Nasseri

Employees in DC are now eligible for paid family leave pursuant to the DC Paid Family Leave Act. *Below is our brief primer on what employers need to know and what to expect when administering paid family leave.* [Read More]

Upcoming Labor & Employment Presentations

WEBINAR: Staying Compliant: Service Contract Act Updates and Your Business, July 9, 2020, <u>Sarah</u> <u>Nash</u>. [Read More]

WEBINAR: Nuts and Bolts of SCA, July 14, 2020, Nichole Atallah. [Read More]

WEBINAR: Long-Term Remote Work Strategies, July 15, 2020, <u>Sarah Nash</u> and <u>Anna Wright</u>. [<u>Read</u> <u>More</u>]

SMALL BUSINESS PROGRAMS

Meeting the Main Street Lending Program Eligibility Criteria

Bloomberg Tax reported that the Federal Reserve's Main Street Lending Program is now open for lender registration, meaning banks can extend loans to eligible businesses. Two of the biggest eligibility hurdles for borrowers are (1) the 15,000 employee / \$5 billion annual revenue limit and (2) the restriction that the borrower be a "U.S. business." Bloomberg offers a roadmap of how to compute these two calculations. Read more <u>here</u>.



Pandemic Oversight Begins to Take Shape

Federal Computer Week reported that the Council of Inspectors General on Integrity and Efficiency's Pandemic Response Accountability Council, which was tasked with overseeing the federal government's response to the coronavirus pandemic, published a <u>92-page document</u> detailing the various challenges agency inspectors general have identified since the Coronavirus Aid, Relief, and Economic Security Act became law in March. Read more <u>here</u>.

Paycheck Protection Program Updates

Senate Passes PPP Loan Application Deadline Extension, More Than \$130 Billion Still Unclaimed, July 1, 2020, Cy Alba

The Senate unanimously passed a bill that would extend the Small Business Administration's (SBA) Paycheck Protection Program (PPP) application deadline through August 8, 2020. The bill is now set to be taken up by the House. [Read More]

SBA and Treasury Announce Enhanced PPP Transparency

SBA and the Department of the Treasury announced that they have agreed to make additional PPP data public. SBA will disclose business names, addresses, NAICS codes, zip codes, business type, demographic data, non-profit information, jobs supported, and loan amount ranges as follows:

- \$150,000-\$350,000
- \$350,000-\$1 million
- \$1–\$2 million
- \$2–\$5 million
- \$5–\$10 million

These categories account for nearly 75 percent of PPP loan dollars approved. For loans below \$150,000, totals will be released and aggregated by zip code, industry, business type, and various demographic categories. Read more <u>here</u>.

SBA Rolls Out Dedicated Tool for Small Businesses to Connect with CDFIs and Small Asset Lenders Participating in PPP

SBA Administrator Jovita Carranza announced the launch of a dedicated online tool for small businesses and non-profits to be matched with Community Development Financial Institutions, Minority Depository Institutions, Certified Development Companies, Farm Credit System lenders, Microlenders, as well as traditional smaller asset size lenders in the PPP. SBA's Lender Match is an additional resource for pandemic-affected small businesses that have not applied for or received an approved PPP loan to connect with lenders. Read more <u>here</u>.

New PPP-Related Interim Final Rules

SBA issued interim final rules that revise and supplement previously-posted PPP-related interim final rules.

• **Revisions to Loan Forgiveness and Loan Review Procedures:** This interim final rule revises interim final rules published in the Federal Register on June 1, 2020, by changing key



forgiveness and review procedures to conform to the Paycheck Protection Program Flexibility Act. Read the published version <u>here</u>.

- Eligibility Revisions to First Interim Final Rule: This interim final rule revises the interim final rule published in the Federal Register on April 15, 2020, to change the eligibility requirement related to felony convictions of applicants or owners of the applicant business. Read the published version <u>here</u>.
- Eligible Payroll Costs: This interim final rule supplements the previously posted interim final rules by providing additional guidance on certain eligible payroll costs. Read the published version <u>here</u>.

GOVERNMENT CONTRACTS

Doing Business with the Government and the Impact of COVID-19, July 1, 2020, Pamela Mazza

The July 2020 issue of *Lawyer Monthly* features an article by <u>PilieroMazza</u>'s Managing Partner <u>Pam</u> <u>Mazza</u> on "<u>Doing Business with the Government and the Impact of COVID-19</u>." In the article, Pam explores why companies should consider doing business with the government and the possible pitfalls they should be aware of. Pam also discuses the challenges COVID-19 has presented for government contractors and changes to be on the lookout for. [<u>Read More</u>]

\$4.5 Million False Claims Act Settlement Underscores DOJ Focus on Fraud in Small Business Programs, July 1, 2020, <u>Jacqueline Unger</u>

During the webinar on "<u>The False Claims Act: 2019 Takeaways and 2020 Trends</u>" earlier this year, <u>Matt Feinberg</u> and <u>Jackie Unger</u> noted that the SBA's small business programs are fertile ground for False Claims Act (FCA) enforcement and predicted increased enforcement in 2020 and beyond. *A* recent settlement has shown this to be true and illustrates that the risk of FCA liability can extend to affiliates and business partners of purported small businesses that contract with the federal government. [Read More]

GSA Increases Ceiling for 8(a) STARS II Contract

The General Services Administration (GSA) announced that the ceiling of its 8(a) Streamlined Technology Application Resource for Services (STARS) II contract has been raised by \$7 billion, to \$22 billion. Read more <u>here</u>.

GSA Releases Pre-Solicitation Notice for Upcoming STARS III Contract

Bloomberg Government reported that GSA issued a pre-solicitation notice for its 8(a) STARS III government-wide acquisition contract, an IT vehicle set aside for economically disadvantaged small businesses. GSA announced that the estimated ceiling value of STARS III has been increased to \$50 billion from the \$15 billion that was set in an August 2019 draft RFP. The final RFP is expected to be released by mid-July. Read the pre-solicitation notice <u>here</u>.



GSA Details Networx Sunset

Federal Computer Week reported that GSA detailed its process for ending the use of legacy telecommunications contracts as part of GSA's transition to the \$50 billion, 15-year Enterprise Infrastructure Solutions contract. Read more <u>here</u>.

NDIA Policy Points: NDAA Proposals

The National Defense Industrial Association (NDIA) reported that the Department of Defense sent Congress legislative proposals for the fiscal year 2021 National Defense Authorization Act (NDAA). View NDIA's analysis of the proposals' potential implications for the defense industrial base <u>here</u>.

Upcoming Government Contracts Presentations

WEBINAR: Navigating the FAR/DFARS: The Most Confusing and Little Known Clauses, July 21, 2020, Emily Rouleau. [Read More]

WEBINAR: Rapid Business Transformation – Becoming Agile and Secure Now – The Clock is Ticking, July 22, 2020, Jon Williams. [Read More]

WEBINAR: COVID-19 Guidance for Government Contractors, July 22, 2020, Peter Ford and Lauren Brier. [Read More]

About PilieroMazza

PilieroMazza – a business law firm – serves as a strategic partner to government contractors and commercial businesses from across the United States in numerous industries, including:

- Aerospace and Defense
- Construction
- Cybersecurity & Data Privacy
- Emerging and Developing Industries
- Environmental Remediation
- Healthcare

- Information Technology
- Manufacturers and Suppliers
- Professional Services
- Solar Energy
- Telecommunications
- Transportation

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- <u>Cybersecurity & Data Privacy</u>
- False Claims Act
- <u>Government Contracts Claims and Appeals</u>
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