

COVID-19 SOLUTIONS

Shutts & Bowen COVID-19 Response Team

Shutts & Bowen has created a firmwide, multidisciplinary COVID-19 Response Team dedicated to assisting clients with navigating the legal issues arising from the Coronavirus (COVID-19) pandemic. In this rapidly evolving worldwide health crisis, Shutts & Bowen will provide clients with timely legal guidance and other resources needed to respond quickly to the immediate challenges impacting their organizations.

Shutts & Bowen's COVID-19 Response Team leverages the firm's deep bench of approximately 300 attorneys across 8 offices throughout Florida. Their practices span the entirety of the firm's practice areas, including hospitality; legislative affairs; government contracts; labor and employment; creditors rights and bankruptcy; tax; financial services; insurance; and many more.

From the onset of the pandemic, Shutts & Bowen's attorneys have been assisting their clients with strategic legal guidance and timely counsel on the legal issues surrounding COVID-19. As business leaders face difficult decisions that will have serious ramifications for their employees, customers, and communities, the COVID-19 Response Team will help its clients with creative solutions to manage immediate concerns as well as long-term planning services.

For inquiries to the COVID-19 Response Team, please contact us at covid19@shutts.com.

COVID-19 Response Team Members

- [Alexander I. Tachmes](#) (Hospitality)
- [Matthew R. Chait](#) (Real Estate Litigation)
- [Logan E. Gans](#) (Tax)
- [Jason Gonzalez](#) (Legislative)
- [J. Gregory Humphries](#) (Corporate)
- [R. Alan Higbee](#) (Government Contracts)
- [Mary Ruth Houston](#) (Labor & Employment)
- [Lee D. Mackson](#) (Creditors' Rights & Bankruptcy)
- [John E. Meagher](#) (Insurance)
- [Francis E. Rodriguez](#) (Tax)
- [Bryan Wells](#) (Financial Services)
- [Russell P. Hintze](#) (Tax)

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- [Adam Woodruff](#) (SBA Loans and other lending work)
- [Timothy Woodward](#) (Construction)

Latest Alerts

- [Paycheck Protection Program Flexibility Act of 2020 Update - June 9, 2020](#)
- [Tolling and Extensions of Permits and Other Authorizations - May 19, 2020](#)
- [The Effect of COVID-19 Orders on Private Property Rights](#)
- [Updated CARES Act Legislation - April 28, 2020](#)
- [SBA EIDL Chart - April 24, 2020](#)
- **SHUTTS MEMORANDUM:** [HHS CARES Act Relief Funds – April 17, 2020](#)
- **SHUTTS WHITE PAPER:** [When the Music Stops - Business Interruption Coverage and the Ongoing Game of Financial Musical Chairs](#)
- **SHUTTS MEMORANDUM:** [Bankruptcy Code Changes Under the CARES Act - April, 8, 2020](#)
- **SHUTTS CONSTRUCTION MEMORANDUM:** [The CARES Act and Construction-Related Updates - March 31, 2020](#)
- **SHUTTS CARES ACT MEMORANDUM** - [March 30, 2020](#)
- **SHUTTS MEMORANDUM: Land Use Applications, Staff Access and Public Hearings - March 27, 2020**
- **SHUTTS COVID-19 MEMORANDUM** - [March 25, 2020](#)
- [Michael Kelley discusses Coronavirus updates related to Government Action, Job Site Preparation and Insurance Protection \[link to video\]](#)
- [How Coronavirus is Impacting the Real Estate Industry \[link to video\]](#)

Florida Orders and Notices

Florida Eviction and Foreclosure Suspension

Governor DeSantis' EO 20-94, as amended, "suspend[s] and toll[s] any statute providing for final action at the conclusion of a mortgage foreclosure proceeding under Florida law solely when the proceeding arises from non-payment of mortgage by a single-family mortgagor adversely affected

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by the COVID-19 emergency.” The term “adversely affected by the COVID-10 emergency” is defined as “loss of employment, diminished wages or business income, or other monetary loss realized during the Florida State of Emergency directly impacting the ability of a single-family mortgagor to make mortgage payments.”

Additionally, Section 2 of Executive Order 20-94, as amended, serves to “suspend and toll any statute providing for final action at the conclusion of an eviction proceeding under Florida law solely when the proceeding arises from non-payment of rent by a residential tenant adversely affected by the COVID-19 emergency.” This section defines “adversely affected by the COVID-19 emergency” to mean “loss of employment, diminished wages or business income, or other monetary loss realized during the Florida State of Emergency directly impacting the ability of a residential tenant to make rent payments.”

Finally, the Order states that nothing contained within its language “shall be construed as relieving an individual from his or her obligation to make mortgage payments or rent payments.”

The order, as extended, expires at 12:01 a.m. on October 1, 2020.

For more information, please contact [Matthew Chait](#).

Florida Supreme Court Administrative Orders

On August 12, 2020, Chief Justice Charles Canady issued [Amendment 6](#) to Administrative Order AOSC20-23 and [Amendment 3](#) to Administrative Order AOSC20-32. These orders amended guidelines for the four-phased timeline that will govern the return to normal statewide court operations. The four phases were established in prior orders issued since the state courts began pandemic operations in March.

The Amendments provided the following major changes to previous versions:

1. Provide updated criteria for the transition to different phases;
2. Require a human resources policy at each court to address potential COVID-19 exposure of court employees and judges;
3. Update health screening criteria for entry into a courthouse;
4. Provide updated guidance for courts in monitoring local conditions and public health data when expanding in-person proceedings; and
5. Provide a methodology to determine deteriorating local health conditions that would require an amendment to a local operational plan or a return to an earlier phase.

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To view a full list of Administrative Orders from the Florida Supreme Court, please click [here](#). For information on each judicial district's phased reopening efforts, please visit the website for that district.

For more information about any of these orders, please reach out to [Matthew Chait](#).

Legal Issues Impacting Our Clients

Paycheck Protection Program

UPDATE: PPP Loan Forgiveness Application

The Small Business Administration (SBA), in consultation with the Department of the Treasury, released the updated Paycheck Protection Program (PPP) Loan Forgiveness Application and detailed instructions for the application. Below please find the revised PPP loan forgiveness application as well as the SBA's interpretation of changes made to the Paycheck Protection Program Flexibility Act. The original application was revised to conform to the recently enacted Flexibility Act, which amended various criteria for loan forgiveness.

[PPP Loan Forgiveness Application – June 17, 2020](#)

[PPP IFR Revisions to the Third and Sixth Interim Final Rules – June 17, 2020](#)

On May 15, the Small Business Administration (SBA), in consultation with the Department of the Treasury, released the Paycheck Protection Program (PPP) Loan Forgiveness Application and detailed instructions for the application.

The form and instructions inform borrowers how to apply for forgiveness of their PPP loans, consistent with the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). SBA will also soon issue regulations and guidance to further assist borrowers as they complete their applications, and to provide lenders with guidance on their responsibilities.

Building Permits

On March 9, 2020, Governor Ron DeSantis issued Executive Order 20-52, which declared a state of emergency due to the coronavirus outbreak. The order allows for the tolling of certain permits and in some instances up to an additional six months beyond the tolled period.

Overview - § 252.363(1)(a), Florida Statutes

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This order allows for the extension of certain permits and authorizations for the duration of the emergency declaration, and for up to six months in addition to the tolled period. Written requests must be submitted to the authorizing governmental agency within the approved number of days for appropriate application as set forth within Section 252.363, Florida Statutes. Permit extensions may apply to:

- building permits;
- a development order issued by a local government, which includes a wide variety of local government approvals that permit development activities;
- a permit issued by the Department of Environmental Protection or a water management district pursuant to Part IV of chapter 373, Florida Statutes; and,
- a Development of Regional Impact's (DRI's) build-out date—Section 380.06(7)(c), Florida Statutes.

To read more on building permits, inspections and extensions, [click here](#), or reach out to our [Construction Law Practice Group](#).

Impact of the CARES Act on the Construction Industry

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act" or "Act") was enacted on March 27, 2020 to provide emergency assistance and health care support for individuals, families and businesses affected by COVID-19. There are several provisions and relevant programs within the Act that will have an impact on the individuals and businesses working in the construction industry, including:

- Construction Project Funding Provisions
- Funding for the "Community Development Fund"
- Construction Business Loans and Loan Exclusions
- Relief for Small Businesses (1-500 employees)
- Emergency EIDL Grants
- Opportunities for construction workers to receive direct cash
- Business and Employment Tax Provisions

To view a comprehensive summary of the impact of the CARES Act on the construction industry, [click here](#).

[Timothy Woodward](#) or any member of the [Construction Law Practice Group](#) is able to advise related businesses and professionals on the quickly evolving legal implications of coronavirus in the construction industry.

Cybersecurity and Working Remotely

Protect Your Business While Employees Work Remotely

Now that many of us are working remotely, we may begin to see an increase in phishing emails that may contain subjects such as “COVID-19 Update,” “Open Immediately,” “Coronavirus” or some variant of these. There are also text messages offering compensation in the form of gift cards due to store closures. Any number of these messages may come from phony senders claiming to be service providers, courts, vendors or even clients. It is also important to remember that hackers will continue their regular phishing activity in addition to health-related phishing attempts. Hackers are counting on their targets having their guard down and having less interaction with their IT teams while working remotely leaving them more susceptible.

Protect Your Personal Information

By leveraging fear and the good intentions of the public, hackers are using coronavirus messages to steal passwords, personal data and financial information. Individuals should obtain their information from reliable resources, like the Center for Disease Control or the World Health Organization. In order to avoid falling victim to these schemes, remember some of these useful tips below:

- **Ignore emails, texts and phone calls from strangers.**
 - This may include messages related to donating to help the fight against COVID-19, investing in stock options, or online offers for coronavirus-related vaccines and cures.
- **Do not open attachments, download files or click on links from unexpected emails.**
 - These emails may appear to come from individuals or businesses you know, but are actually from a slightly different email account.
- **Do not forward unknown emails, as these might contain viruses or malware.**
- **Be wary of anyone asking for money toward research for a cure or victims of the virus.**
 - These should raise immediate red flags if they request prepaid gift cards or bitcoin.
- **Be careful of fake websites offering coronavirus protective supplies or testing kits, as they may be counterfeit.**

FDEO's Short Time Compensation Program

Employers should be aware that under the Florida Department of Economic Opportunity's new Short Time Compensation Program, employees who have been put on a reduced hours schedule or have been partially furloughed may be entitled to receive unemployment benefits to supplement their reduced paychecks. This program is designed to encourage employers to reduce the hours of their employees as opposed to implementing mass layoffs of employees. More information

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regarding this Short Term Compensation program can be found [here](#).

[Mary Ruth Houston](#) or any member of the [Labor & Employment Practice Group](#) is able to advise employers of their obligations, especially under the FFCRA, EFMLA and EPSLA, as well as the quickly evolving employment law implications of coronavirus in the workforce.

Furlough

Employers who are considering furloughing employees must be careful to comply with any state specific notice provisions, including those that apply to wages or wage reductions. In structuring furloughs, employers must also bear in mind concerns under the Fair Labor Standards Act, benefits, and similar employment issues. Under certain circumstances, a furlough of more than six (6) months may trigger WARN Act notice obligations. These situations are fact specific and for more information employers should contact [Mary Ruth Houston](#) or any member of the [Labor & Employment Practice Group](#).

Government Loan Programs

The State has created the Florida Small Business Emergency Bridge Loan Program. The program offers loans of up to \$100,000 for eligible small businesses in Florida affected by the coronavirus. The loans are interest-free for 12 months and then 12% per annum thereafter. The applicant company cannot have more than 100 employees. Applications are being accepted through May 8, 2020.

Also, the Federal government is offering loans through the U.S. Small Business Administration (SBA) Economic Injury Disaster Loan Program. Florida businesses became eligible to participate in this program after the Governor's Disaster Declaration. The loan amounts are up to \$2 million. The interest rate is 3.75% and repayment periods of up to 30 years are being offered in order to keep payments affordable.

For more information, please reach out to [Alexander Tachmes](#) or [Michael Pego](#).

Foreclosures and Evictions

See above under Florida Eviction and Foreclosure Suspension. Please reach out to [Matthew Chait](#) with any questions.

SBA Loans

If a business has an existing SBA-backed loan, a lending partner may be able to provide a six-month deferral on loan payments.

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For SBA-backed loans sold on the secondary market, lenders can authorize a one-time 90-day deferment without prior investor consent.

For more information, please contact [Adam Woodruff](#) or [Alexander Tachmes](#).

Tax Credits

On March 18, 2020, President Trump signed the “Families First Coronavirus Response Act” (the “Act”), which provides refundable tax credits for two types of leave that were created under the Act: 1) a paid sick leave credit; and 2) a paid child care leave credit. Equivalent credits are available to self-employed individuals based on similar circumstances. The Act generally applies to employers with fewer than 500 employees, except for certain exceptions for employers with fewer than 50 employees.

Under the Act, eligible employers who pay qualifying sick or child care leave will be able to retain an amount of their payroll taxes equal to the amount of qualifying sick and child care leave that they paid, rather than deposit such taxes with the IRS. The payroll taxes that will be available for retention include withheld federal income taxes, the employee share of Social Security and Medicare taxes, and the employer share of Social Security and Medicare taxes with respect to all employees.

The Florida Department of Revenue is considering, on a case-by-case basis, requests for extensions of the deadline for payment of State corporate income and sales taxes.

Should you have questions regarding US Federal or Florida tax relief concerning COVID-19, please contact [Logan Gans](#) or [Francis Rodriguez](#).

Financial Services Regulatory Relief Efforts

On March 26, 2020, the Florida International Bankers Association (FIBA) requested that the U.S. Securities and Exchange Commission (SEC) consider an extension of the Regulation Best Interest compliance deadline from June 30, 2020 by at least six months to January 31, 2021. [Kimberly Prior](#) and [Greta Trotman](#), who are members of FIBA's Legal & Regulatory Affairs Committee, contributed to the SEC submission. Shutts & Bowen will keep its clients apprised of the SEC's response to this request.

Shutts & Bowen has carefully examined the Regulation Best Interest compliance issues and hosted several workshops on the topic. The firm has developed and implemented strategic solutions to help clients comply with upcoming standards and expectations. For more information or if you have questions, please do not hesitate contact [Bryan Wells](#), [Kimberly Prior](#) or [Greta Trotman](#) from the firm's [Financial Services Practice Group](#).

Florida Corporate Tax Relief

On April 27, 2020, the Florida Department of Revenue (“DOR”) released Order of Emergency Waiver/ Deviation #20-52-DOR-003, which provides certain relief for Florida corporate taxpayers due to the COVID-19 emergency. The order postpones the Florida corporate income tax and franchise tax return filing deadlines for entities with a fiscal year that ended December 31, 2019 until August 3, 2020. The deadlines to make a tax payment and to file for an extension (and make an applicable tentative tax payment) were postponed until June 1, 2020. In other words, an entity is required to make a tax payment by June 1, 2020 even if the entity does not expect to file its Florida corporate tax return until August 3, 2020. If an entity files for an extension by June 1, 2020, then the return will generally be due on November 2, 2020 (but payment must still have been made by June 1, 2020).

Entities that had fiscal years that ended on January 31, 2020 or February 29, 2020 also had their tax return filing deadlines postponed until August 3, 2020. However, such entities are still required to make a tax payment or file for an extension (and make an applicable tentative tax payment) on their normal scheduled deadlines (e.g., July 1, 2020 or August 3, 2020, respectively). Finally, the DOR has advised that the deadlines to make estimated tax payments of Florida corporate income tax between April 1, 2020 and July 15, 2020 have not been modified. This is unlike the guidance provided by the Internal Revenue Service, which postponed the deadline for certain estimated US Federal tax payments until July 15, 2020.

Should you have questions regarding US Federal or Florida tax relief concerning COVID-19, please contact [Logan Gans](#) or [Francis Rodriguez](#).

Professionals

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Related Practices

Administrative Law and Licensing

Anti-Money Laundering

Antitrust

Appellate

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Commercial Leasing

Commercial Lending

Community Associations

Complex Loan Workouts

Construction

Corporate

Creditors' Rights and Bankruptcy

Cuba Task Force

Cybersecurity and Data Privacy Task Force

Eminent Domain/Inverse Condemnation

Environmental

Equine Law

Financial Services

Government Contracts

Government Law

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Health Law & Life Sciences

Hospitality

Immigration

Insurance

Intellectual Property

International Dispute Resolution

Labor and Employment

Land Use & Zoning

Licensing

Litigation

Private Client Services

Private Funds

Public Finance

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Securities Fraud Litigation

Taxation

White Collar Criminal Defense & Governmental Investigations

Related Industries

Automotive

Cargo/Port Services

Construction

Energy

Financial Services

Government

Health Care

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Insurance

Manufacturing

Real Estate