Commercial Rent Relief Grants Available to Small Businesses

The Oregon Legislative Emergency Board allocated \$100 million to Business Oregon for a new program to provide financial assistance to small businesses and commercial landlords impacted by the economic hardships caused by the COVID-19 pandemic.

The program provides grants to building owners to cover outstanding lease payments from small business tenants that are behind on rent due to COVID-19. The grants can go up to \$100,000 per each business tenant lease, but not more than \$3 million for each landlord. The landlord must agree not to evict the tenant for six months and waive any rights to collect outstanding penalties or interest, or enforce eviction clauses related to the delinquent lease payments between March 1, 2020 and February 28, 2021.

The program is intended to help small business tenants that have 100 or fewer employees. The agreement will include additional protections for tenants, such as non-eviction clauses, and a waiver of penalties and interest.

The program will open for applications on **Monday, March 8.** Both the business tenant and property owner will need to participate in the application process and sign the grant agreement, *but the initial application needs to be completed by the landlord*.

The application period will be open for two weeks, with eligible submissions chosen by a lottery system that will also ensure geographic distribution across all regions of the state. The program is split into two rounds, the first \$50 million will be allocated in the application period opening March 8. The remaining funds will be available in a second-round application that will open in late April. Unsuccessful (but eligible) applicants from the first round will automatically be considered in the second round, as will any new applicants.

More program information and eligibility details are available on the **Business Oregon website**. The application will be available on the Business Oregon website on March 8, 2021.

<u>Chamber Positions and Testimony on Bills in the Oregon</u> <u>Legislature</u>

Following is a brief recap of some of the proposed legislation the Roseburg Area Chamber has weighed in on, so far this session. For details about the bills, the chamber's positions and links to actual testimony submitted please check out our **CURRENT NEWS** page on the chamber website.

RACC Supports:

- SB 330: Income Tax Credit for Rent Forgiveness.
- HB 2638: Would limited liability for Oregon employers following COVID directives.
- HB 3177: This bill, if passed, would prevent the Governor from shutting down restaurants and gyms in any further emergency declaration.
- SB 531: Would establish a right to reimbursement for actual damages resulting from cessation of business operations required by emergency rules or orders.

RACC Opposes:

- HB 2674-1 Amendment: Suite of new taxes to fund diesel engine retrofits and replacements with large impacts on construction, trucking, timber and agriculture industries.
- SB 137-1 Amendment: This amendment is a tax increase on Oregon businesses, as the proposed amendment would disconnect Oregon businesses from the benefits of the bipartisan CARES Act legislation, which would raise taxes by \$115 million on Oregon businesses.
- HB 2379 and HB 2598: These bills propose new timber taxes at the worst possible time in light of the pandemic and the devastating wildfires of 2020.
- HB 2839: House counterpart to SB 137, which would disconnect Oregon from Federal CARES Act tax provisions that allow for the immediate monetization of businesses losses through the tax code to help with cash flow issues as a result of the pandemic.
- HB 2205: If passed, this bill would deputize third parties/plaintiffs' attorneys to file class action lawsuits against employers for any violation of Oregon law–wage and hour, workplace safety, etc.

On the federal front, the Roseburg Chamber signed on to a **February 1** letter urging the U.S. Congress to pass temporary liability protections related to the COVID-19 pandemic for businesses, organizations and municipalities. In a **February 17** letter to the members of our Congressional delegation, the chamber urged federal action to "re-green" our forests after devastating wildfires. And, on **March 2**, the Roseburg Chamber added its voice to hundreds of chambers and business organizations across the country, asking Congress to extend the most recent PPP grant application deadline of March 31. There are still funds available and businesses in desperate need to be able to access those funds after the current deadline. For more information about these actions, please visit the <u>CURRENT NEWS</u> page on our website.

Reminder: 2020 Corporate Activity Tax (CAT) Returns Due April

<u>15</u>

A Reminder from the Oregon Department of Revenue.

Businesses with commercial activity in excess of \$1 million in 2020 must file a CAT return by April 15. Businesses with more than \$1 million in taxable commercial activity will have Corporate Activity Tax to pay. The tax is \$250 plus 0.57% of commercial activity greater than \$1 million after subtractions.

Revenue has honored good-faith efforts to comply with the CAT by businesses negatively affected by the COVID-19 pandemic in 2020. Penalties will not be assessed for underestimated quarterly payments or for not making a quarterly payment for the Corporate Activity Tax, if businesses did not have the financial ability to make the estimated payment.

However, payment of 2020 CAT liability is due in full April 15. Businesses can, with good cause, seek an extension to file. An extension to file is not an extension to pay tax owed.

One-Time Registration.

The Department of Revenue reminds business owners that once they have more than \$750,000 in commercial activity in 2021, they have 30 days to register for the Corporate Activity Tax unless they have already registered. Registration for CAT is a one-time requirement, however, and businesses that registered in 2020 do not have to register again. CAT registrations topped more than 20,000 in its first year. That number continues to grow as new businesses begin to reach the \$750,000 threshold in 2021.

2021 Quarterly Payments.

Taxpayers expecting to owe \$5,000 or more in Corporate Activity Tax for tax year 2021 must make estimated quarterly payments. Estimated payments for 2021 are due April 30, August 2, November 1, and January 31, 2022. Returns are due April 15.

Training aids to assist with registration, calculating the tax, and making payments can be found on the <u>CAT page</u> of the agency's website. Taxpayers with general questions about the CAT can email <u>cat.help.dor@oregon.gov</u> or call 503-945-8005.

"Extreme" Risk Level Guidelines

Douglas County is currently determined by the state to be at the "extreme" risk level through, at least, March 11. Below are links to the modified guidance for counties deemed to be at the extreme risk level. In general, any/all indoor spaces, except restaurants, are allowed to have up to six people in a space of more than 500 square feet, under the modified guidelines. If owners/operators have more than 1000 square feet and can effectively divide the space internally, there can be as many as four distinct areas, each having up to six customers at a time.

For specifics:

- Indoor Recreation & Fitness Establishments: Guidance FAQs
- Indoor Entertainment Establishments: Guidance FAQs
- Outdoor Entertainment Establishments: Guidance FAQs
- Eating and Drinking Establishments; Guidance FAQs (Dining pod signage: https://sharedsystems.dhsoha.state.or.us/DHSForms/Served/le3571.pdf)

Each risk level has different safety mandates, check out the **assigned health and safety measure mandates**. For more **information about the risk levels and activity guidance, guidance based on county risk levels**.

Free PPE Still Available to Roseburg Area Businesses

The Roseburg Area Chamber through a partnership with the City of Roseburg continues to provide free PPE to Roseburg businesses. The PPE available includes: 3-ply ear-loop disposal masks, washable reusable cloth masks, non-surgical KN95 masks, pump-bottle hand sanitizer, antibacterial wipes and disposable nitrile gloves.

To receive the no-cost PPE, businesses should apply through the chamber's website. To apply, visit **COVID-19 Business Recovery Resource Center Library** or click **HERE**!

Still Time to Apply for Paycheck Protection Program (PPP)

Some temporary, but major changes to the Payroll Protection Program (PPP), aimed at extending aid to minority-owned businesses and to the nation's smallest firms, went into effect last week. Only businesses with fewer than 20 employees will be able to apply for PPP funds through March 10. The administration is also making other changes that could impact small business' access to pandemic relief.

Businesses interested in a PPP loan (first or second), *particularly those unable to access PPP with a traditional bank or credit union*, are encouraged to get in touch as soon as possible. One such participating CDFI is <u>MoFi.org</u>. You can contact your local SBA office for more information on community financial institutions offering access to PPP <u>HERE</u>.

If you received an initial PPP loan from a bank or credit union during the first round, please contact them regarding a second loan.

Updated PPP information and guidance can be found <u>HERE</u>. Borrowers can apply for the Paycheck Protection Program by downloading the <u>First Draw PPP loan application</u> or <u>Second Draw</u> <u>PPP loan application</u> and working with a participating PPP lender through the <u>SBA Lender Match tool</u>.

The U.S. Chamber created a new <u>Guide to Small Business COVID-19 Emergency Loans</u> to provide local chambers and our members with the latest information and answers to FAQs about the changes that have been made to the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loans (EIDL) Program as part of the end-of-year pandemic relief package Congress passed and which is tentatively slated to become law.

<u>Click here</u> to view the U.S. Chamber's new Guide to Small Business COVID-19 Emergency Loans. As the year-end federal pandemic relief package evolves and, we are confident, ultimately authorized and signed into law, we will continue to provide updates as the information becomes available.

Tools to Access "What's Happening" in the 2021 Oregon Legislature

It is so important that our members submit written or provide verbal testimony on bills that are important to them and our local businesses. As the chamber previously shared, legislative committee days started in mid-January, the legislative session is now currently in process. Check out the <u>2021</u> <u>legislative calendar</u>. Following are some of the key dates that will govern this year's 160-day session:

- Tuesday, Feb 23: Bill introduction deadline
- Friday, March 19: Original committee "work session" posting deadline
- Tuesday, April 13: Original committee "work session" deadline
- Friday, May 14: Second chamber "work session" posting deadline
- Friday, May 28: Second chamber "work session" deadline
- Friday, June 18: Leadership's targeted date for Sine Die
- Sunday, June 27: Constitutional Sine Die

Here's what we know so far about how the session will be conducted. The session will be virtual through at least early March. The first reassessment will be made on March 1. The only way the Capitol will be reopened is when Marion County enters the lowest of the COVID risk categories. Currently, Marion County is in the highest ("extreme") risk category.

Right now there appears to be more standing committees meeting a little less frequently than usual. There will be more advance notice for hearings and work sessions. Although there are no bill limits this session (more than 3,000 bills have been introduced so far), there will be more prioritization and likely fewer bills being considered. There are indications that budgets won't be addressed until later in the session due to uncertainty around revenue and potential federal aid packages.

It is so important that our members testify on bills that are important to them and our local businesses. The Oregon Legislative Assembly has established a process to accept remote verbal public testimony on bills by video or phone during this time, in addition to written public testimony.

Detailed information about how to testify in the 2021 Oregon Legislative Session is outlined in a <u>"How to Testify" during Oregon's 2021 Legislation Session</u> PDF document.

Here are some additional links to help you stay connected during this legislative session.

- Oregon Legislative Information System (OLIS)
- <u>Receive Bill Alerts</u>
- Watch Committee Hearings
- Find Your Legislator
- House Committees
- <u>Senate Committees</u>

You chamber's primary objective is to represent the interests of and advocate for our local business community. The chamber has its legislative and public affairs agenda and positions in place. We're seeing a lot of bad-for-business bills (particularly looking for more revenue in the form of taxes and fees). The chamber will continue to monitor legislative activities daily throughout the session and, act on behalf of our businesses whenever pertinent. The chamber will continue to join with the Oregon State Chamber of Commerce, other chambers and business organizations around the state to make sure the voice of business is heard. Look for "Calls to Action" during the 2021 session and don't hesitate to contact the chamber if you become aware of proposed legislation potentially adverse to business or if you have any questions about the session or chamber positions.

Business Recovery Resource Center Library

Please continue to check the chamber's online <u>"Business Recovery Resource Center Library Re:</u> <u>COVID-19 Pandemic,"</u> as the chamber updates its resource information at least weekly. And, please share this link with friends and colleagues. The more our local businesses are armed with information and access to resources, the stronger our recovery.

Chamber News, Programs & Updates

The Roseburg Area Chamber's 2021 "Shop Chamber & Save" exclusive member-to-member discount program flyer is <u>online</u>.

The chamber's annual celebration of business and awards event tentatively planned for March 18 is postponed. As soon as we have a new date, we'll be sure and send out a "SAVE THE DATE!"

Missed a past issue of *Business Perspectives* or one of those "oh-so-informative" membership email blasts? No worries. They are posted on the chamber website on the <u>Monthly Newsletter page</u>... just scroll.

Debbie

Debra L. Fromdahl, IOM President & CEO Roseburg Area Chamber of Commerce





