Response + Recovery
The Allegheny Conference COVID-19 Webinar Series
Today’s program, Early Considerations for the Re-opening of Business in our Region is made possible by these generous sponsors.
Program

• Welcome

• Featured Presentations

• Q&A Session

• Wrap-Up

Moderator:
Kyle Chintalapalli, Vice President, Business & Economic Development, Pittsburgh Regional Alliance - an Allegheny Conference affiliate

Presenters:
Matt Smith, President, Greater Pittsburgh Chamber of Commerce - an Allegheny Conference affiliate

Jay Glunt, Partner, Reed Smith, LLP

John O’Leary, Senior Manager, Deloitte Services and State & Local Government Research Leader, Deloitte Center for Government Insights
Kyle Chintalapalli
Vice President, Business & Economic Development
Pittsburgh Regional Alliance – an Allegheny Conference affiliate
Matt Smith
President, Greater Pittsburgh Chamber of Commerce – an Allegheny Conference affiliate
Pennsylvania joined Northeast compact with other states

What does this mean?
## Reopening Process

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<td>Carnegie Mellon University Data Data Dashboard</td>
<td>Reopen Most Positive Impact on the Economy &amp; Mitigating Health Risk</td>
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Governor Wolf breaks it down into 3 Phases:

- Red
- Yellow
- Green
Key Questions

Testing capacity

Contact Tracing capacity

PPE availability

Hospital/healthcare provider utilization

Business social distancing capability
Federal
White House released “Opening Up America Again” guidelines April 16

Three phase approach – Based on symptoms, cases, and hospitals’ metrics over two week periods

- Phase 1 – phased in return to work
- Phase 2 – larger venues can open with social distancing restrictions
- Phase 3 – full return to work with some restrictions on large venues, restaurants/bars, etc.

BUT, Highly deferential to Governors making the final call
Federal

NEW – Phase 3.5 of The CARES Act

Funding for testing

Require states to submit testing and contact tracing plans to federal government
Jay Glunt
Partner
Reed Smith, LLP
Five Areas of Risk

1. New Workplace Laws = Compliance Risks
2. Selection of Workers to Return = Discrimination Risks
3. Enhanced UC = Employee Relations Challenges
4. Cost Saving Measures = Wage / Hour Risks
5. Safe Workplace Practices = Employee Privacy Risks
Best Practices: Be aware of agency guidance

- Guidance has been issued by various other agencies, such as the EEOC, CDC, DOL, OSHA, and FDA
  - These inform employers about best practices for continuing to operate during the COVID-19 crisis and in a post-pandemic world

- Implement policies and procedures that adhere to guidance issued by these agencies
  - This will help employers mitigate liability as businesses begin to reopen
  - OSHA Guidance on Preparing Workplaces for COVID-19

- Be aware of any local or state orders and requirements
  - Examples include continued social distancing protocol or a responsibility to provide employees with personal protective equipment
Potential FTC compliance issues when reopening

- Information-sharing between companies alone does not raise antitrust risks
  - However, direct information exchange among employers or agreements between employers that have an adverse affect on workers may be subject to antitrust rules against collaboration among competitors
    - Example: developing agreements with other employers that lead to uniform employee rules on hours of work, compensation reduction, or return to work incentives

- The FTC and Justice Department are on the lookout for employers whose conduct violates antitrust laws

- Collusion or other anticompetitive conduct in labor markets may subject companies to civil and criminal penalties

- Special rules may apply when a union is involved

Creating a COVID-19 Playbook: Pennsylvania -- For educational purposes only.
Returning workforce documents

- Return to work considerations
- Recall letter
- Form I-9
- Form W-4
- Criminal background checks
- Drug testing considerations
- Other licensing/certifications
- Benefits issues
- Wage and hour issues
- Labor considerations
- Policy/handbook
- IT considerations
- What to do when the employee refuses to return to work due to COVID-19 related concerns
CARES Act: Resources for employees
Unemployment insurance expanded

• Pandemic Unemployment Assistance
  • Temporary expansion of eligibility
  • Seeking part time work, business owner, self-employed (gig workers and independent contractors), limited work history
  • Up to 39 weeks (13 weeks longer)

• Pandemic Unemployment Emergency Assistance
  • Additional $600/week taxable income (no withholdings) for all weeks of eligibility from April 5, 2020 through July 31, 2020
  • Ordinary first week waiting period waived
  • Additional 13 weeks of eligibility (to 39 weeks)

• Lower wage and part-time workers are making more while laid off and collecting unemployment

• Expanded unemployment compensation benefits present a potential strategy for short-term layoffs
Reducing hours or wages

• **Reductions in hours and/or wages typically permitted**
  • Be aware of contract restrictions

• **For non-exempt employees:**
  • Give advance notice
  • Reductions cannot reduce compensation below federal minimum wage of $7.25

• **For exempt employees:**
  • Give advance notice and no end date
  • If reduction below $35,568, formerly exempt employee is now entitled to overtime pay
  • Salary reductions should not be short-term or seasonal
EEOC Guidance: What employers can do

- Conduct screenings of employees physically entering the workplace, which may include:
  - Temperature screenings
  - Asking about COVID-19 symptoms, exposure, testing, and diagnosis
  - Asking about close contact with anyone diagnosed with COVID-19
- Employers may require screenings for all employees or on a case-by-case basis
  - If only some employees are screened, the employer must have a reasonable belief based on objective evidence, such as a persistent hacking cough, that the individual may have COVID-19
- Exclude those with COVID-19 or symptoms associated with COVID-19 from the workplace
  - This is permissible because their presence would pose a direct threat to the health and safety of other employees
John O’Leary
Senior Manager, Deloitte Services
State & Local Government Research Leader, Deloitte Center for Government Insights
Governments’ response to COVID-19
From pandemic crisis to a better future

Executive summary
Presented to Allegheny Conference
April 2020
A timeline of government’s actions through the COVID-19 crisis

This figure models the COVID-19 crisis over time across the three overlapping phases governments will pass through: respond, recover, and thrive. Robust data analysis through all the phases will be vital so that officials can properly interpret the signals and act accordingly.

“"You don’t make the timeline; the virus makes the timeline."

—Dr. Anthony Fauci
The journey through crisis will deal with three challenges

1. How do we address the health care crisis?
   - RESPOND
   - RECOVER
   - THRIVE

2. How do we address the economic crisis?
   - RESPOND
   - RECOVER
   - THRIVE

3. How do we keep “the business” of government operating?
   - RESPOND
   - RECOVER
   - THRIVE
Governments must be adaptable as circumstances evolve, including heeding data signals that indicate a resurgence of the virus

The range of policy responses over time will depend on *signal* changes—changes in policy tools, such as sustainment/expansion or pivots, that could unfold based on economic, health, or demand shifts.
The respond phase requires a “two-gear” mindset, as some functions massively surge (emergency response, benefit programs, etc.), while some functions physically close down (licensing, library, etc.).

Core operational and policy challenges

- Mission review
- Finances
- Remote everything
- Worker safety
- IT and cybersecurity

Determining which functions need to operate, and which continuing operations require new protocols.

The biggest experiment in “remote everything,” as telework, telehealth, and distance learning are adopted at scale, on the fly.

IT is needed to support telework in an environment of increasing cyberattacks.

Officials will, in many cases, have to simultaneously manage precipitous drops in tax revenues with surges in demand and, in some cases, massive infusions of money from central government.

Many parts of government must continue to function in close contact with the public—and hence, with the virus.
The business of government front

Every government agency has a specific and often unique mission. But all deliver value in the same way, which can be expressed in the mantra, “People use tools to serve the public and fulfill the mission.”

**A mission-centric look at the next normal**

**THE ENDURING VALUE CHAIN**

- Fulfill the mission
- Serve the public

**A NEW POST-COVID-19 REALITY**

- Mission
- New post–COVID-19 mission
- New expectations
- New tools
- New challenges

**People**: Management of public employees as well as other partners of government will be irrevocably changed. In the recover phase, the health and safety of public employees is likely be an area of emphasis, as well as remote work.

**Tools**: The COVID-19 crisis has demonstrated clearly that rules and regulations that hinder public service should be altered or removed—quickly. We’ve also seen the importance of data and digital tools to adaptive government.

**Serving the public**: Expectations for service will only grow after the COVID-19 crisis. In the short term, governments must be able to sense and react rapidly to changes in the pandemic.

**Mission**: In many cases, government’s mission in a post–COVID-19 environment will be different.
Tools and tips for the economy

Use data to identify the hardest-hit areas

Provide clear guidance for reengaging in economic and social activity

Conduct an industry/sector assessment

Engage private sector participation to revive certain sectors

Retrofit infrastructure and civic assets

Tools and tips for the economy

Use the power of networked government

Prevent fraud by design

Evaluate supply chain vulnerability

Provide open data

Plan ahead for a potential second wave

Q & A

Moderated by:

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Allegheny Conference
PITTSBURGH REGION RESPONSE TO COVID-19
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AlleghenyConference.org/COVID-19