

# Daily COVID-19 Bulletin – March 28, 2020

Publications | March 28, 2020

---

Gibson Dunn's lawyers regularly counsel clients on issues raised by the COVID-19 pandemic, and we are working with many of our clients on their response to COVID-19. The following is a round-up of today's client alerts on this topic prepared by the Gibson Dunn team. Our lawyers are available to assist with any questions you may have regarding developments related to the outbreak. As always, for additional information, please feel free to contact the Gibson Dunn lawyer with whom you usually work, or any member of the firm's **Coronavirus (COVID-19) Response Team**.

---

## UNITED STATES

### **Constitutional Implications of Government Regulations and Actions in Response to the COVID-19 Pandemic**

The COVID-19 pandemic is having an unparalleled effect on a wide range of businesses, many of which are subject to government-mandated shutdowns and other restrictions throughout the United States. In addition, while federal lawmakers negotiate the contours of a \$2 trillion aid deal—the largest in modern history—they and some state legislators are also debating requiring particular companies or industries, rather than taxpayers or bondholders at large, to bear the burden of bailout efforts.

[Read more](#)

### **COVID-19 and Representation and Warranty Insurance on US M&A Deals: Considerations for Buyers and Sellers**

The COVID-19 outbreak has caused major disruptions in global economies, including merger and acquisition activity. In response to the pandemic, we are seeing changes to the representation and warranty insurance ("RWI") market.

[Read more](#)

### **IRS Extends Income Tax Return Filing and Payment Deadlines from April 15 to July 15; Many U.S. States Follow Suit**

Internal Revenue Service ("IRS") Notice 2020-18, issued March 20, 2020 (the "Notice"), provides updated guidance on the extension of the April 15, 2020 U.S. federal income tax return filing and payment deadlines for individuals and corporations to July 15, 2020 as a result of the Coronavirus pandemic. The extension does not require that the taxpayer be impacted by the Coronavirus pandemic. Additionally, on March 24, 2020, the IRS issued FAQs to answer various questions relating to the Notice.

[Read more](#)

### **New York State Empire State Development Corporation Revises Guidance on Construction Businesses Deemed Essential Under New York Governor Andrew Cuomo's "New York State on PAUSE" Executive Order**

On March 27, 2020, the New York State Empire State Development Corporation ("ESD") revised its guidance for determining whether businesses are "essential" and therefore exempt from the in-person workforce restrictions under Governor Cuomo's March 20, 2020 "New York State on PAUSE" Executive Order (EO 202.8), which requires that all non-essential businesses keep 100 percent of their workforce at home. The revised guidance provides that all "non-essential" construction "must shut down," with the exception of "emergency construction," and limits the businesses in the construction industry that are deemed essential.

[Read more](#)

### **Tax Relief in the CARES Act**

# GIBSON DUNN

On Friday, March 27, 2020, Congress passed and President Donald Trump signed into law the third major piece of legislation intended to address the economic impact of the coronavirus (COVID-19) outbreak. The bill, titled the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), provides for a number of temporary and permanent changes to the Code.

[Read more](#)

## Reconsidering Poison Pills

The public health crisis caused by COVID-19 has had a dramatic economic impact on the trading prices of U.S. companies across all industries. As boards of directors and management teams work to stabilize their operations and deal with the myriad issues caused by the pandemic, we have witnessed a number of opportunistic shareholder activists accumulating stakes in publicly traded targets.

[Read more](#)

## SBA "Paycheck Protection" Loan Program under the CARES Act

On March 25, 2020, the Senate passed (96-0) the *Coronavirus Aid, Relief, and Economic Security Act* ("CARES Act"), a \$2.2 trillion stimulus package providing aid for individuals, States, small businesses, and businesses impacted by the coronavirus pandemic. It is expected that the House will swiftly pass the *CARES Act*, which the President, in turn, will promptly sign into law.

The *CARES Act*, through a proposal authored by Senators Susan Collins (R-ME) and Marco Rubio (R-FL), authorizes the Small Business Administration ("SBA") to provide loan guarantees for up to \$349 billion in loan commitments under the SBA's 7(a) program, through a new "paycheck protection" program under which loans may be forgiven. This client alert discusses how the SBA provisions in the *CARES Act* will impact businesses.

[Read more](#)

## EUROPE

### Coronavirus: EU Economic and Fiscal Measures

The coronavirus ("COVID-19") pandemic is having a deep impact on businesses across all sectors.

While the primary focus of many businesses will be on ensuring the health and wellbeing of staff, businesses are facing an increasing number of challenges that need to be addressed and mitigated.

[Read more](#)

### COVID-19: UK Financial Support for Businesses through Purchases of Commercial Paper and Lending to SMEs

The UK Government has launched two funding mechanisms to assist firms with the potential impact of COVID-19 on their businesses:

1. a joint lending facility between the UK HM Treasury and the Bank of England ("BoE") designed to support liquidity among larger firms through the purchase of commercial paper, the Covid Corporate Financing Facility ("CCFF"); and
2. financial support for smaller businesses by giving lenders a government-backed guarantee for loan repayments, the Coronavirus Business Interruption Loan Scheme ("CBILS").

[Read more](#)

### European Commission Authorisation of State Aid to Support the Economy Amid the Current COVID-19 Outbreak

As already described in Gibson Dunn's client alert of 20 March 2020, the European Commission (Commission) has announced that it will authorize the grant of State aid to the real economy for liquidity shortages and financial losses resulting from the COVID-19 outbreak in at least two ways.

[Read more](#)

### U.K. Employment Law Considerations for Companies Responding to COVID-19 - Update

In this alert we summarise key developments in UK employment law over the past week in response to the novel coronavirus (COVID-19). The UK government response to the outbreak evolves daily, and we encourage employers in the UK to monitor UK government and National Health Service guidance and legislative developments over the coming days and weeks.

[Read more](#)

## **“...whatever it takes” – German Parliament Passes Far-Reaching Legal Measures in Response to the COVID-19 Pandemic**

On March 25, 2020, the German Parliament (Bundestag) passed a far reaching rescue package to respond to the COVID-19 pandemic and its dramatic economic effects. The full text of the package can be found [here](#).

[Read more](#)

© 2020 Gibson, Dunn & Crutcher LLP

Attorney Advertising: The enclosed materials have been prepared for general informational purposes only and are not intended as legal advice.