Albany Law Summer Legal Fellowship

When I accepted a position as a Summer Legal Fellow this spring, I did not expect the experience to work the way it did. Although we were unable to meet in person, the staff at the GLC was very accommodating and flexible. I'm grateful that they worked so hard to give us this experience. Due to my interest in rural law issues, I was assigned to work under Legal Director Richard Rifkin to research troubles within rural communities relating to legal consultation. Originally, I researched how rural areas struggle to get enough quality legal representation because of the shortage of attorneys in rural New York. Since I plan to be an attorney in my rural hometown this research gave me a lot of valuable insight that helped me plan for my future.

However, since the COVID-19 shutdown is financially hurting so many areas right now, I took an interest in how rural communities are being impacted by the Coronavirus. After some preliminary research in rural law, Mr. Rifkin instructed me to investigate loan options available to small businesses who have been impacted by the Coronavirus shutdown. I was very interested in this topic, so it is what I spent most of my time this summer researching. Since my family owns a small business this topic hit close to home and was easy to research because I was motivated by the urgency of the need.

I looked into many different government assistance programs that were offering aid to small businesses. However, the program that most caught my interest was the federal governments Paycheck Protection Program (PPP). The PPP is a system of government funded loans for small businesses who were negatively impacted by the Coronavirus. The program provides loans to cover the cost of payroll for 8 weeks so that businesses are incentivized to keep employees on the books. The funds can also be used for rent, mortgages, or utility bills. Businesses who receive the loan have 24 weeks to use the funds and have 5 years to pay back the portion of the loan that is not forgiven. All loans are eligible for forgiveness if the borrower applies. However, it is a separate application from the loan application.

When the PPP Flexibility Act was passed, its purpose was to clear up the confusion surrounding the bill and make it easier for businesses to understand what they were getting into. The bill made four major changes to the original PPP. First, the minimum maturity date was changed to 5 years as opposed to 2 years, this gives businesses more time to financially recover before they have to pay back the loans. The covered period is extended from 8 weeks, to 24 weeks so that borrowers have more time to use their funds. Next, three loopholes are created to allow businesses to get forgiveness even if they are unable to keep 100% of their previous employees on the books for 8 weeks. Finally, the 60/40 rule was created. The 60/40 rule says that 60% of the loan must be used for payroll costs, and 40% can be used for other expenses such as rent, mortgage, utilities etc. Businesses benefit from 60/40 as opposed to the original 75/25 because they can spend more money on other expenses. My first explainer on the PPP was published to the Albany Law GLC website.

The PPP did not provide enough funds to keep small businesses afloat, so New York State implemented a similar program to supplement small businesses in the state. As of June 17, 2020 Industrial Development Agencies in New York will be allowed to give out small business loans to those struggling from COVID-19. Chapter 109 of the laws of 2020 establishes a state disaster emergency loan program to be administered by Industrial Development Agencies (IDA's) for small businesses and small not-for-profit corporations. IDA's are given the ability to give loans to small businesses and nonprofit organizations with 50 or fewer employees.

Chapter 109 outlines three criteria that must be met in order for a business to qualify for one of these loans. 1.) The business or organization must have been financially viable before the COVID-19 outbreak began in March. 2.) They must conduct business in the area served by the IDA. One business may not receive a loan from more than one IDA, even if they conduct business in more than one jurisdiction. If IDA's overlap in territory, they are expected to coordinate their efforts to distribute their funds. An example of this happening would be if a County and town both have an IDA, they will have to coordinate with one another to distribute aid. 3.) The business or organization must have been negatively impacted by the COVID-19 state of emergency. IDA's are then able to take into consideration factors such as where the business is. Highly distressed areas are to be given priority, as well as the creditworthiness of the applicant, and the level of impact from COVID-19. My explainer on Chapter 109 was sent in for review on July 24, 2020.

Regardless of this fellowship being completely virtual, I was still able to participate in some very educational law school experiences. During our first week as legal fellows we got to have a zoom meeting with the Dean of Albany Law. The Dean was so down to earth and motivating to talk to. Speaking with her made me even more excited to go to law school. My favorite experience outside of my research was virtually sitting in on a Constitutional Law class. The topic was state action which is very interesting to me and I was surprised by how much I understood. I expected it to sound like a different language, but I followed along very well. The class was not what I had imagined law school classes were like, it was very small and personal; it seemed as if the professor knew each student and wanted to help them understand which is a comfort to me since I learn best in that environment. I was only able to attend one class, however I gained a lot of insight into law school simply by looking at the syllabi of all the other classes. The last experience that I am thankful for was doing a podcast with Ben Myers. Talking about my research instead of just writing about it gave me a different level of understanding and I am so glad that I got exposure to it.

Overall, the summer legal fellowship experience being online did not diminish the quality. I'm sure being in the office would have been very different, but I have no regrets about the experience. The staff at the GLC were fantastic at being leaders to me virtually. Morning scrum was a lifesaver most days. Meeting with everyone and deciding what the most important thing I would accomplish that day was, made me more focused and forced me to stay on task. The virtual experience would not have worked were it not for scrum. The GLC staff was also great at giving guidance and being available. If I had any questions while I was researching, they would answer my questions in a timely manner which made being virtual less of a hardship. One thing that the online experience lacked was communication among the students. The four of us would email papers for peer review but outside of that there was no communication except for when we were in morning scrum. If we had been in the office every day, I believe we would have been collaborating a lot more and I may have learned about topics other than what I was researching. Overall, I think the GLC made the virtual experience just as fulfilling as it would have been in person.

I had an awesome experience at Albany Law this summer and I am honored to have been selected to participate. I will recommend a summer legal fellowship to anyone who is considering going to law school or pursuing a career in legal research. Having the opportunity to receive training in LexisNexis and Westlaw as an undergrad will help me so much in my future. Thank you to everyone at Albany Law and the Government Law Center, as well as to Dr. Cutler for an enriching summer of research.

The link to my PPP explainer, and my podcast can be found on this webpage.

https://www.albanylaw.edu/about/news/2020/Pages/GLC-Releases-Latest-Explainer-on-Paycheck-Protection-Program-Flexibility-Act.aspx