

COVID-19 (CORONAVIRUS) EMPLOYER RESPONSE

Presented by:

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LEGISLATIVE HISTORY

1. Coronavirus Preparedness and Response Supplemental Appropriations Act
 - Signed into law on March 6
 - \$8.3B in emergency funding
 - \$20M in small business loans, no quick effect on employees
2. Families First Coronavirus Response Act (FFCRA)
 - Signed into law on March 18
 - Effective April 1, 2020
 - Emergency Paid Sick Leave and FMLA
 - Applies to companies with less than 500 employees
 - Small businesses with less than 50 employees may be exempt
 - Requires employee notice / poster
3. Coronavirus Aid, Relief and Economic Security Act (CARES Act)
 - Signed into law on March 27
 - Paycheck Protection Program: Forgivable loan up to 2.5 months payroll
 - Employee retention credit: 50% credit of wages up to \$10,000 / employee
 - Unemployment benefits increased by \$600
 - Direct payments up to \$1,200 per individual taxpayer, \$500 per child

PAID LEAVE UNDER FFCRA

Reasons for Paid Leave	Amt of Pay	Duration	Max Pay and Tax Credit
Subject to a Federal, State, or local quarantine or isolation order related to COVID-19;	100% of regular rate	First 80 hours (2 weeks) of leave	Up to \$511 per day and \$5,110 in the aggregate
Advised by a health care provider to self-quarantine related to COVID-19;	100% of regular rate	First 80 hours (2 weeks) of leave	Up to \$511 per day and \$5,110 in the aggregate
Experiencing COVID-19 symptoms and is seeking a medical diagnosis;	100% of regular rate	First 80 hours (2 weeks) of leave	Up to \$511 per day and \$5,110 in the aggregate
Caring for an individual subject to an order described in (1) or self-quarantine as described in (2);	2/3 (66.7%) of regular rate	First 80 hours (2 weeks) of leave	Up to \$200 per day and \$2,000 in the aggregate
Caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19;	2/3 (66.7%) of regular rate	First 12 weeks of leave (combined E-FMLA and E-PSL)	Up to \$200 per day and \$12,000 in the aggregate (over 12 wks)
Experiencing any other substantially-similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.	2/3 (66.7%) of regular rate	First 80 hours (2 weeks) of leave	Up to \$200 per day and \$2,000 in the aggregate

REQUIRED NOTICE

EMPLOYEE RIGHTS PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

[https://www.dol.gov/
agencies/whd/pandemic](https://www.dol.gov/agencies/whd/pandemic)

The **Families First Coronavirus Response Act (FFCRA or Act)** requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

► PAID LEAVE ENTITLEMENTS

Generally, employers covered under the Act must provide employees:

Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:

- 100% for qualifying reasons #1-3 below, up to \$511 daily and \$5,110 total;
- ⅔ for qualifying reasons #4 and 6 below, up to \$200 daily and \$2,000 total; and
- Up to 10 weeks more of paid sick leave and expanded family and medical leave paid at ⅓ for qualifying reason #5 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

► ELIGIBLE EMPLOYEES

In general, employees of private sector employers with fewer than 500 employees, and certain public sector employers, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). *Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #5 below.*

► QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19

An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to **telework**, because the employee:

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| <ol style="list-style-type: none">1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;2. has been advised by a health care provider to self-quarantine related to COVID-19;3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2); | <ol style="list-style-type: none">5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or6. is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services. |
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CARES ACT LOANS

1. What are the loans?
 - Paycheck Protection loans – in some cases forgivable – to cover payroll costs, healthcare, rent, utilities, etc. (typical max is 2.5 months payroll)
 2. Who is eligible?
 - Companies with less than 500 employees; and
 - Companies in the hospitality industry (NAICS Code of 72) with less than 500 employees “per physical location”
 3. What part of the loans can be forgiven?
 - Qualifying costs spent during an 8-week period - qualifying costs include payroll costs (except of wages above \$100,000 per employee), interest on secured debt obligations, and rent and utilities in place prior to February 2020.
- What is the process to apply?
 - Contact an SBA-certified lender or FDIC-backed bank, credit union, and other financial institution.

QUESTIONS?

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