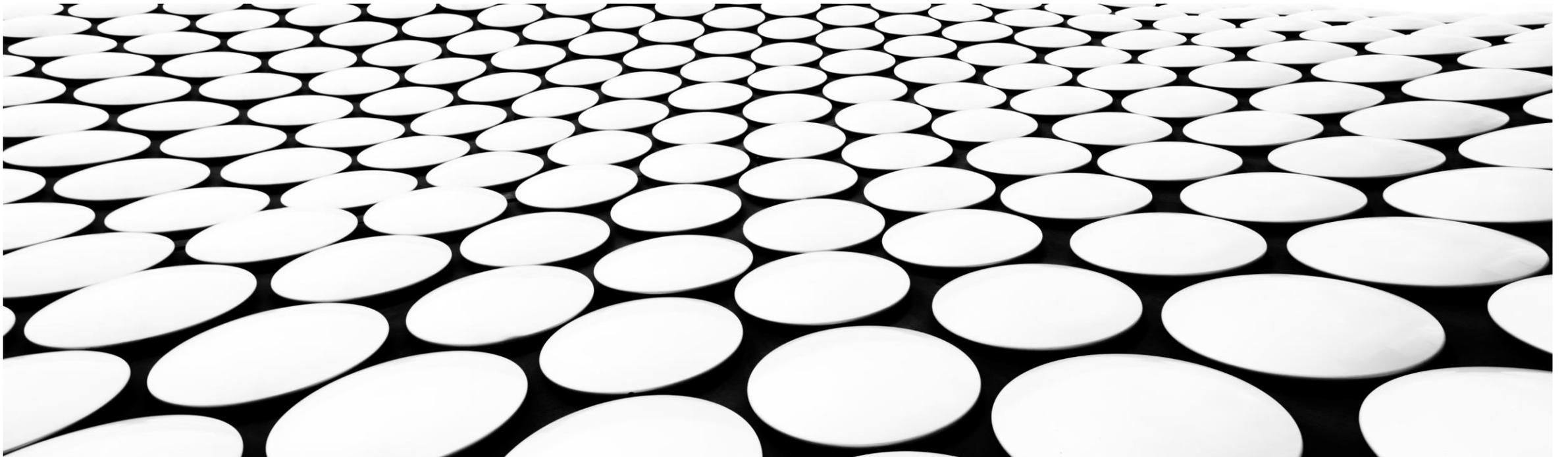


COVID-19 CORONAVIRUS LAW

FAMILIES FIRST CORONAVIRUS

RESPONSE ACT H.R. 6201





TIMING

- Wednesday, March 11 – WHO declared COVID-19 outbreak a pandemic
- Friday, March 13 – HR 6201 passed House of Representatives
- Wednesday, March 18 – HR 6201 passed Senate
- Wednesday, March 18 – HR 6201 signed by President Trump



EMPLOYER IMPACT – HR 6201

1. Emergency Family and Medical Leave Expansion Act (EFMLA)
2. Emergency Paid Sick Leave Act
3. Emergency Unemployment Insurance Stabilization & Access Act



EMERGENCY FAMILY AND MEDICAL LEAVE EXPANSION ACT



EXPANDED COVERAGE & ELIGIBILITY

- Expansion is temporary
 - Effective April 2, 2020 through December 31, 2020
- Threshold changed from covering employers with 50 or more employees → covering workplace with fewer than 500 employees
- Lowers eligibility requirement to 30-days of employment



REASONS FOR EMERGENCY LEAVE

- Care for employee's child if the child's school or place of care has been closed due to a public emergency

EFMLA PAID LEAVE

- First 10-days unpaid
 - Employees may elect to substitute PTO, vacation, or sick time
- After first 10-days, must pay full-time employees at two-thirds
 - Cap - \$200/day & \$10,000 per employee
- Part-time or irregular scheduled employees paid based on the average hours worked 6-months prior
- Employers with bargaining unit employees apply for EFMLA provisions consistent with the bargaining agreement



JOB RESTORATION

- 25 or more employees – same obligation under traditional FMLA
- Fewer than 25 employees – generally excluded from this requirement



SMALL BUSINESS AND OTHER EXEMPTIONS

- Secretary of Labor has authority to exempt small businesses, but only if viability of the business is jeopardized
- Excludes certain healthcare providers and emergency responders



EMERGENCY PAID SICK LEAVE ACT



REQUIRES 80 HOURS OF PAID SICK LEAVE

- Employers with fewer than 500 employees
- Regardless of employee duration of employment
- In conjunction with the FMLA Expansion
- With an exception for employers who are healthcare providers or emergency responders at their election.

REASONS FOR PAID SICK LEAVE

1. Subject to a federal, state or local quarantine or isolation order related to COVID-19;
2. Advised by a health care provider to self-quarantine due to COVID-19 concerns;
3. Experiencing COVID-19 symptoms and seeking medical diagnosis;
4. *Caring for an individual subject to a federal, state or local quarantine or isolation order or advised by a health care provider to self-quarantine due to COVID-19 concerns;*
5. *Caring for the employee's child if the child's school or place of care is closed or the child's care provider is unavailable due to public health emergency; or*
6. *Experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.*



RATE OF PAY

- Regular rate of pay for 1 through 3 previously reviewed
- Two-third's regular rate for 4 through 6 previously reviewed



RATE OF PAY (CONTINUED)

- Limited to \$511/day up to \$5,110 total/employee for their own use
- Limited to \$200/day up to \$2,000 total to care for others and any other condition
- Part-Time and Irregular schedule employees paid according to the EFMLA guidelines

- 
- Will not carry over into 2021
 - Is in addition to any paid sick leave currently provided
 - Current paid leave policy cannot be changed
 - Administered by the Social Security Administration
 - Effective April 2, 2020 until December 31, 2020



EXAMPLES OF PAID SICK LEAVE & EFMLA



SCENARIO 1

Sally has been employed full-time for 20 days at a call center which employs 40 people. Sally is not eligible to receive any paid time off under her employer's policies.

Sally has a sore throat and a fever of 100.7 and cannot report to work. Sally is waiting to be seen by her doctor.

What benefits is Sally entitled to while she is not working?

- Emergency Paid Sick Leave – 80 hours at her regular rate
- Sally would not be entitled to EFMLA because she was not employed for at least 30 days prior to the first day of her leave

SCENARIO 2

Sally has been employed full-time for 45 days at a call center which employs 40 people. As of today, she has accrued three (3) days of Paid Time Off under the employer's policy.

The school where Sally's fourth-grade daughter attends is closed until the end of April. Sally is unable to work from home during this time.

What benefits is Sally entitled to receive during this time?

- Emergency Paid Sick Leave – 80 hours at two-thirds her regular rate of pay
- Emergency Family and Medical Leave – up to 12 weeks of job protected leave
 - First ten (10) days are unpaid (but paid under Emergency Paid Sick Leave).
 - After 10 days, Sally is paid at 2/3 her regular rate
 - Sally may use her 3 days of PTO after the initial 10 days, but she is not required to



MISCELLANEOUS INFORMATION



COVERAGE FOR TESTING FOR COVID-19

- Covers diagnostic testing, and related services without cost sharing
- Must be provided at no cost to the employee or any others covered
- Covered services and related cost waivers apply to:
 - diagnostic testing
 - healthcare provider services
 - facility costs



TAX CREDITS FOR PAID SICK AND PAID FAMILY AND MEDICAL LEAVE

- PENDING – Phase 3 Stimulus Package
- Senate Majority Leader (Mitch McConnell) announced details
 - Cash for Small Business (possible grant to pay rent and workers)
 - Checks for Families (numbers are ranging from \$500/\$1200)
 - Loans for Big Businesses (industries that have been severely impacted)



**EMERGENCY UNEMPLOYMENT INSURANCE
STABILIZATION AND ACCESS ACT OF 2020**



EMERGENCY UNEMPLOYMENT INSURANCE STABILIZATION AND ACCESS ACT OF 2020

- This portion of the act provides states \$1 billion in emergency grants for unemployment related activities
- Half the resources are to be allocated to provide funding to all states for admin costs if they meet the following criteria:
 - Educating employees about the availability of filing for unemployment
 - Providing at least 2 methods of filing for unemployment
 - Keeping employees updated on the status of the claims
- The other half will be reserved for emergency grants for states who experienced a spike in unemployment claims. Those states will be eligible if they meet the following criteria:
 - Committing to make access to unemployment benefits easier
 - Taking or planning to take steps to ease eligibility requirements
 - These provisions will stay in effect until December 31, 2020



QUESTIONS?