

Families First Coronavirus Response Act

1) Covers all employers with less than 500 employees

2) Employers must provide the following benefits:

- a) Employees can receive up to 80 hours of **paid sick leave at 100% of the employees pay** due to:
 - i) The employee is quarantined or self-quarantined due to the Coronavirus **and seeking a medical diagnosis**
 - ii) **Employers get credit** for 100% of paid sick leave up to \$511 per day or \$5,110 for the 10-day period.
- b) Employees can receive up to 80 hours of **paid sick leave at 2/3 of the employee's pay** due to:
 - i) Employee is caring for a quarantined individual
 - ii) Employee is caring for a child whose school is closed or childcare provider is unavailable due to the Coronavirus
 - iii) **Employers get credit** for 2/3 of the employee's regular pay up to \$200 per day and \$2,000 for the total 10-day period.
- c) Employees unable to work due to caring for a child whose school is closed or childcare provider is unavailable due to the Coronavirus **may in some instances receive up to an additional 10 weeks** of expanded paid family and medical leave **at 2/3 the employee's pay.**
- d) **Employers get credit** for 2/3 of the employee's regular pay up to \$200 per day and \$10,000 for the entire 10-week period.
- e) Definitions and guidance on these provisions is due from the IRS and department of Labor next week.

3) Small business exemption

- a) Employers with less than 50 employees are eligible for an exemption from the leave requirements **related to school closings or childcare unavailability** if the requirement would jeopardize the ability of the business to continue.
- b) Definitions and guidance on this exemption have not yet been clearly defined.

4) The labor department will allow 30 days for employers to become compliant with the act before enforcement action is taken as long as the employer has acted in reasonable and good faith to comply with the act.

5) Reimbursement for the cost of providing leave

- a) Federal payroll tax payments will be reduced by the amount equal to providing paid sick and childcare leave.
 - i) Example: if your normal 941 tax payment is \$3,000 and paid sick leave amounted to \$2,000 for the period, you are only required to pay the difference of \$1,000 on the tax due date.
- b) More guidance from the IRS will be released next week on the procedure for reimbursements.