

A closer look at the Families First Coronavirus Response Act

Moving with alacrity, the House of Representatives will vote on H.R. 6201, [Families First Coronavirus Response Act](#) very soon. Assuming the Senate doesn't amend it, the bill will go into effect immediately after the president signs it. Here are the provisions of interest to Payroll and HR.

Stay tuned: The Families First Coronavirus Response Act is intended to be the first tranche of relief to help employees and employers deal with the work-related impacts of the coronavirus outbreak and the COVID-19 illness the virus causes. We're following this closely and will update this article as necessary.

Emergency paid leave benefits

Employees who worked 30 days before being affected by COVID-19, who don't have access to any paid leave (i.e., sick time, vacation, personal days or who continue to receive pay) or who are receiving unemployment benefits, qualify for a new federal emergency paid leave benefit, administered through the Social Security Administration. Benefits are tax-free.

Eligible employees who must take off 14 or more days from their work due to a qualifying COVID-19-related reason will receive benefits for up to three months. Eligible employees include those who are:

- Diagnosed with COVID-19
- Quarantined (including self-imposed quarantine), at the instruction of a health care provider, employer or government official
- Caring for another person who has or is under quarantine for COVID-19
- Caring for children or other individuals who are unable to care for themselves due to the COVID-19-related closing of their school, child-care facility or other care program.

Benefits are capped at two-thirds of employees' average monthly wages, up to \$4,000. Benefits are available for leave occurring from Jan. 19, 2020, through one year after the bill is signed into law. Benefits may be paid retroactively. Online, phone or mail applications for benefits can be filed up to six months after enactment.

Employees' existing benefit rights are protected, including the right to state or local paid-leave benefits, and greater benefits that are allowed under union contracts or employers' benefits programs. However, benefits paid under this law are reduced dollar-for-dollar by the amount of any state or private paid-leave benefits employees receive.

Paid sick days for personal and family care

The legislation would also grant seven days of paid sick leave for use in situations not associated with a public health emergency.

Employees would be eligible for one hour of paid sick leave for every 30 hours they work, up to seven days (56 hours) per year. Exempt employees are presumed to work 40 hours a week. Employers may set higher limits if

they choose. Employers may front-load employees' leave time. Employers with paid-leave policies that are at least as generous don't have to extend additional paid time off to employees.

Employees begin accruing time on their first day of work and can use time beginning on the 60th calendar day. Unused accrued leave is carried over into the next year, up to 56 hours. Employers don't have to cash out the accrued leave of employees who terminate, but leave must be reinstated if employees are rehired within 12 months.

Paid leave may be used for absences resulting from:

- Employees' physical or mental illness, injury or medical condition
- Employees' obtaining professional medical diagnosis or care or preventive medical care
- Domestic violence, sexual assault or stalking
- Closure of employees' workplace by a public official or at the employer's discretion, due to a public health emergency, regardless of whether employees have contracted the communicable disease
- The need to care for children, parents, spouses, domestic partners or other individuals related by blood or affinity because their schools or places of care are ordered closed by a public health official or because a public health official determines that presence in the community of the person receiving care may jeopardize the health of others
- A public official's or health-care provider's determination that employees' presence in the community may jeopardize the health of others during a public health emergency, regardless of whether employees have contracted the communicable disease.

Employers must notify employees of these provisions and include them in employee handbooks. Employers can't interfere with or discriminate against employees who take paid leave.

Additional leave for public health emergencies. Employees are entitled to additional paid sick time due to a public health emergency. Full-time employees are entitled to an additional 14 continuous days off with pay; part-time and hourly employees are entitled to paid sick time equal to the number of hours they were scheduled to work or if they weren't scheduled to work, the number of hours they regularly work in 14 days. Leave may be used for any of the foregoing reasons.

Employees may first use this additional sick time before they use their accrued sick time.

Reimbursements for small employers. Employers with 50 or fewer employees may be reimbursed by the Treasury Department for paying employees who take additional sick time during a public emergency. Employers must submit affidavits to the Secretary of Labor attesting that they provided additional paid sick time and submit records to back up their affidavits.

Coverage of testing for COVID-19

Group health plans and insurers must waive cost-sharing or prior authorization for employees who get tested in doctors' offices, urgent care centers, and hospital emergency rooms.

Unemployment benefits

States will receive an immediate cash infusion of \$500 million in emergency grants to help defray the cost of administering unemployment benefits for employees who lose their jobs due to the virus.

To qualify for this money, states must require employers to provide notification of potential UI eligibility to laid-off workers and to ensure employees have at least two ways to apply for benefits (e.g., online and phone).