

Quick Facts: Families First Coronavirus Response Act

Employers covered by FFCRA

Employers of companies with 500 or fewer employees are required to provide paid leave (sick leave, FMLA leave)

Effective April 1, 2020 through December 31, 2020 – not retroactive

FFCRA Paid Leave Conditions

Paid leave must be provided if:

1. An employee is being quarantined by federal, state, or local order
 2. An employee has been advised by a healthcare professional to self-quarantine
 3. An employee is presenting symptoms and seeking diagnosis
 4. An employee is caring for an individual under quarantine or self-quarantine by healthcare provider recommendation
 5. An employee cannot find childcare because the child's school/daycare is closed because of COVID-19 or the usual caretaker is unavailable because of COVID-19
- Employers are only required to pay sick/emergency FMLA leave if business is open.
 - Employees are not eligible for paid leave if:
 - They are able to work remotely
 - They are laid off due/furloughed to lack of work
 - The business closes before an employee takes leave
 - In these cases, employees should see unemployment benefits
 - Employers may determine what documentation they require to support paid leave under the provisions of FFCRA
 - Employees can take a maximum of 80 hours of leave (combination of paid sick leave or extended FMLA leave)

Paid Leave Rates

- Employees receive their regular rate of pay (or minimum wage, whichever is higher) for reasons 1-3
 - Regular rate of pay calculated as six-month average of regular pay up to the date leave was taken (including OT)
 - Capped at \$511/employee/day (per quarter)
- Employees receive 2/3 their regular rate of pay (or minimum wage, whichever is higher) for reasons 4-5 or for a situation substantially similar
 - Capped at \$200/employee/day (per quarter)
 - Aggregate maximum \$10,000/employee (for all quarters)

Employer Reimbursement

- Employers pay the wages directly.
- The employer is reimbursed by retaining payroll taxes that would otherwise be deposited to the IRS.
- In the event that payroll taxes retained by the business do not match the funds required to cover paid leave, there will be an expedited claim form to seek reimbursement from the IRS.
- Employers may retain payroll taxes to cover the costs associated with the employee-on-leave's medical benefits (i.e. health insurance premiums)

Tax Credit Forms

Forms related to the tax credit and application for tax credit advances are not yet available