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## **Families First Coronavirus Response Act and Unemployment Compensation Updates**

### **FAMILIES FIRST CORONAVIRUS RESPONSE ACT**

The President signed this law on March 18, 2020. This act responds to the coronavirus outbreak by providing paid sick leave and free coronavirus testing, expanding food assistance and unemployment benefits, and requiring employers to provide additional protections for healthcare workers. **The emergency paid sick leave and family and medical leave act provisions go into effect April 2, 2020 and expire December 31, 2020.** Here are some highlights for employers:

- **REQUIRES EMPLOYERS TO PROVIDE UP TO 80 HOURS OF EMERGENCY PAID SICK LEAVE**

- **Who is Covered?**

For immediate use by employees regardless of employment length at employers with fewer than 500 employees and for government workers.

- **When Does it Apply?**

When employees have COVID-19 symptoms and are seeking medical diagnosis or are under a federal, state, local or healthcare provider advised quarantine, are caring for a family member under such quarantine, or have a son or daughter whose school or child care facility or provider is closed or not available due to COVID-19 precautions.

- **What are Pay and Benefits Requirements?**

- Employees are entitled to their regular rate of pay for their own leave and two thirds their regular rate of pay when caring for a person subject to quarantine or a child when childcare is closed or unavailable. The benefit is capped at \$511 per day and \$5,110 in aggregate for the full rate sick time and \$200 per day and \$2,000 in aggregate for the two thirds sick time rate.
- Benefits are prorated for part-time workers based on average work hours

- Employers may not require an employee to use other paid leave provided by the employer before the employee uses their emergency paid sick leave.
  - **Are There Any Exemptions?**
    - Regulations by the Department of Labor in the future may provide exemptions for employers with under 50 employees.
    - Employers of employees who are healthcare providers or emergency responders may elect to exclude those employees.
- **EXPANDS FAMILY MEDICAL LEAVE COVERAGE**
  - **Who is Covered?**
    - Applies to employers with fewer than 500 employees.
    - Covers employees who have been employed at least 30 calendar days and allows up to 12 weeks of leave.
  - **When Does It Apply?**

Can be taken when an employee is unable to work, (or telework), due to a need for leave to care for a son or daughter under 18 if the school or place of care is closed or the childcare provider is unavailable due to a public health emergency.
  - **What are Pay and Benefits Requirements?**
    - Provides unpaid leave for the first 10 days, and partially paid leave not less than two-thirds of an employee's regular rate of pay after ten days, to a maximum of \$200 per day and \$10,000 total.
    - Employers may not require employees to use any accrued paid leave during the first 10 days.
  - **Are There Any Exemptions?**
    - Regulations by the Department of Labor in the future may provide exemptions for employers with under 50 employees.
    - Employers of employees who are health care providers or emergency responders may elect to exclude those employees.
- The act also mandates health plan coverage of COVID-19 testing at no charge and provides a refundable tax credit for employers that provide paid leave benefits required under the act, and expands unemployment benefits and provides grants to states for processing and paying claims.

## UNEMPLOYMENT BENEFITS AND COVID-19

Maine, Massachusetts and New Hampshire have all passed legislation or executive orders to ease unemployment requirements. These include:

- Waiving the one week waiting period
- Temporarily extending eligibility for unemployment benefits for employees impacted by COVID-19 when employers temporarily cease operations or employees are off work due to exposure or quarantines
- Providing that claims for unemployment will not affect an employer's experience rating

Please contact KMA if you have questions or would like further guidance on these updates.

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