President Signs Families First Coronavirus Response Act to Expand Family & Medical Leave Act and National Paid Sick Leave

On Wednesday, March 18th, President Trump signed the Families First Coronavirus Response Act, a new federal law that creates employee benefits and protections during the COVID-19 pandemic. The Act applies to all public employers regardless of size and to private employers with less than 500 employees. The Act will become effective on April 2, 2020. Specifically, the Act:

• Requires that employers must provide all employees who are affected by COVID-19 up to 80 hours of paid sick time. This leave must be offered for any employee subject to a quarantine, or who has been advised by a health care provider to self-quarantine, or if the employee is experiencing symptoms of COVID-19 or a similar diagnoses. The leave also applies to those employees who are caring for someone who is subject to quarantine, someone who has been advised to self-quarantine, or taking care for the child because of school or childcare closures. This paid leave is separate from any existing sick leave entitlements and employers cannot require employees to utilize other paid leave before using the paid sick time granted by the Act. For more details about the circumstances that allow for paid sick leave, the amounts required for pay and exemptions, please see the full Act language using the link below.

• Requires employers to post notices explaining an employee’s right to paid sick leave. The Secretary of Labor will be drafting a model notice that employers may utilize.

• Expands FMLA leave for employees who need to be absent from work to take care of children whose schools or daycares have closed. Typically, employees are not eligible for FMLA leave until they have worked for an employer for at least 12 months. This Act lowers this threshold to 30 consecutive days. Employees are entitled to 12 weeks of job-protected leave for absences related to COVID-19.

• Makes tax credits available to employers who give paid sick leave. Employers can seek a credit of up to $511 per day for an employee’s own sickness or self-isolation and a credit of up to $200 per day when employees have taken time off to care for a child or an ill family member.

• Creates penalties for employers that fail to abide by the Act.

Small employers with less than 50 employees may seek an exemption from the Act. For more details and the full language of this act, please visit: https://www.congress.gov/bill/116th-congress/house-bill/6201/text