H.R. 6201, the Families First Coronavirus Response Act

Emergency Family and Medical Leave Expansion and Paid Sick Leave Provisions

- Creates a new “Public Health Emergency Leave” program under the Family and Medical Leave Act. Private employers, including manufacturers, under 500 employees are required to cover workers for a wide range of circumstances related to COVID-19 for a total of 12 weeks of job-protected leave. Other specifics include:
  - Two weeks of Public Health Emergency Leave only if an employee is not able to work or telework because of a school closure. This leave may be unpaid, but a worker can elect to use other paid leave if offered.
  - Following 14 days of leave, pay for an employee follows a 2/3 normal pay rate schedule.
  - Unpaid leave can be requested by employees meeting certain criteria for COVID-related circumstances until December 31, 2020.
  - Certain health-care providers and emergency responders are excluded from this benefit.
  - Workers under multi-employer collective bargaining agreements have access to this program.
  - A company under 50 employees can request exemption from these provisions to the Secretary of Labor.

- Under the “Emergency Paid Sick Leave” provisions, workers with under 500 employees will need to be paid by the employer for potentially up to 12 weeks.
  - Full-time employees are to receive 80 hours of sick leave, and part-time employees are to receive time off that is equivalent to their normal work schedule in a two-week period.
  - Workers can take Emergency Leave for a variety of reasons including, but not limited to, mandatory isolation, recommendations from health officials, symptoms of COVID-19 or care for family members affected.

- Workers would now be eligible for 12 paid weeks in total, in addition to the benefits currently offered through their employer.

- In addition to self-care if diagnosed with COVID-19, qualifying circumstances under a public health emergency include complying with health officials’ recommendations, caring for a family member or taking care of dependents if school is closed.

Tax Credits for Employers:

- The legislation creates new, temporary (through December 31, 2020) refundable tax credits for the paid sick leave and paid family leave requirements. These credits are only available to companies with less than 500 employees.

- The maximum annual per-employee credit for sick leave pay is $5,110 for employees taking time to care for themselves and $2,000 for employees taking time to care for others. The maximum credit for family leave pay is $10,000 per employee. These amounts may be increased by the value of certain employer-provided health benefits. Refundable credits with similar limits would also apply to self-employed individuals.

- These amounts are creditable against an employer’s payroll tax liability, and refundable to the extent they exceed a company’s aggregate payroll tax liabilities.