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## Families First Corona Virus Response Act

In response to the spread of the 2019 Novel Coronavirus (COVID-19), President Trump signed the [Family First Coronavirus Response Act](#) (Act) on March 18, 2020. The Act is an economic stimulus plan that affects coverage and cost sharing for COVID-19 testing, provides expanded federal family and medical leave as well as a new federal paid sick leave provision. The Act also addresses other issues such as coverage and cost sharing for COVID-19 testing under Medicare and Medicaid, emergency grants to states for unemployment insurance, tax credits for paid sick and paid family and medical leave (FMLA), and federal funding for various programs.

### Which Employers must comply with this act?

Employers with less than 500 Employees will have to comply with the law, including the Emergency FMLA section even if they don't have to comply with traditional FMLA. Employers that have not had to comply with traditional FMLA in the past will only have to comply with this section.

### When does this act go into effect?

The provisions regarding this act take effect on April 2, 2020 and will be in effect until December 31, 2020. **Note: The Department of Labor (DOL) issued guidance on March 25 that the new law will go into effect Wednesday, April 1, 2020. Currently, the DOL guidance is just that - "guidance." The DOL still must issue implementing regulations.**

### What are the main features of the Act? *Please see full document for details. Link below.*

- **Coverage for Testing** – Group health plans must provide coverage with no cost for diagnosis of COVID-19
- **Emergency Family and Medical Leave** – Provide FMLA for employees who are unable to work due to a need to care for the employee's son or daughter under 18, due to diagnosis of COVID-19. After 10 *unpaid* days, the leave will be provided at 2/3<sup>rd</sup> pay up to \$200 per day; max \$10,000
- **Emergency Paid Sick Leave** – requires employers to provide paid leave up to 2 weeks (80 hours for full time) due to employee's inability to work due to quarantine (State, Federal, Local or Health care provider), Diagnosis of COVID-19, caring for sick son, daughter or individual with COVID-19
  - Employers cannot require an employee to use other paid leave provided by the company before the using this paid sick leave.

*Please see complete document for details. This is just a summary and not legal advice*

### Are there any notices that Employers will need to distribute?

Employers must post a notice provided by the DOL on the premises where notices to employees are generally posted. The notice will be provided by the DOL no later than March 25, 2020.

**Can employers have exemptions on any part of this act?**

Employers with fewer than 50 employees can apply for a hardship with the Secretary of Labor, if it places a burden on their company. Unfortunately, there is not yet any direction on how to make such an application, nor how the size determination is made. Employers should consult with an attorney regarding this issue as well as think about potential retaliation issues from an employee upset about not benefitting from the new law. We expect further direction to come from the DOL on this matter.

**Must all employers comply with the Emergency FMLA provisions**

All Employers must comply, however companies with fewer than 25 employees are not forced to reinstate employees to their prior positions if the job no longer exists. However, if that position does return within a year the Employer is expected to make reasonable efforts to return that employee to the company.

**TAX CREDIT:** *For information about the Tax Credit, how it is calculated, and your obligations associated with it, please consult your tax professional. We do not have all the information at this time to give you direction; this information will be forthcoming.*

Need more information? Click below for complete document:

<https://www.keepandshare.com/doc/8249352/family-first-coronavirus-act-uba-email-march-19-2020-pdf-308k?da=y>

As stated earlier in this document, this is not to be construed as legal advice, however there is so much coming out of Washington right now I felt it best to provide a synopsis of the state of things; with information on what is known and what is still coming. Look for more information soon.

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