

The Emergency Coronavirus Bill: What Employers Need to Know Regarding the Legislative Response to COVID-19

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During the early morning hours of March 14, 2020, the U.S. House of Representatives passed the "[Families First Coronavirus Response Act](#)," ([H.R. 6201](#)) by an overwhelming vote of 363-40. The bill now heads to the Senate where it is expected to pass sometime early next week. Besides dealing with immediate public health related matters, the bill contains several provisions that will impact employers. Set forth below are summaries of the bill's provisions relating to paid family medical leave, paid sick leave, and unemployment insurance.

Note that, as drafted, the leave provisions apply only to employers with fewer than 500 employees. At this time, it is unclear why the bill was drafted this way or whether additional legislation may be forthcoming for employers with more than 500 employees. It may be, for example, that the intent is to focus these immediate

measures in the context of relief and aid for small businesses, in light of the fact that the bill also provides tax credits to assist employers in making the leave payments.

Paid Family Medical Leave

- The bill provides 12 weeks of job-protected paid Family and Medical Leave Act (FMLA) leave—of which the first 14 days may be unpaid—for employees of employers with fewer than 500 employees.
- Employees may use accrued personal or sick leave during the first 14 days, but employers may not require employees to do so.
- This leave benefit covers employees who have been working for at least 30 calendar days.
- Among other uses, employees may use the leave to respond to quarantine requirements or recommendations, to care for family members who are responding to quarantine requirements or recommendations, and to care for a child whose school has been closed as a result of the COVID-19 pandemic.
- After the first 14 days, employers must compensate employees in an amount that is not less than two-thirds of the employee's regular rate of pay. These pay requirements apply to only the COVID-19-related leave reasons listed above.
- The provisions will go into effect 15 days after the date of enactment and expire on December 31, 2020.

Paid Sick Leave

- Employers with fewer than 500 employees will be required to provide full-time employees 2 weeks (80 hours) of paid sick leave for specific circumstances related to COVID-19 (e.g., self-isolating, doctors' visits, etc.).
- Part-time employees are entitled to the number of hours of paid sick time equal to the number of hours they work, on average, over a 2-week period.
- Employers must compensate employees for any paid sick time they take at their regular rates of pay.
- Employers will be required to post a notice informing employees of their rights to leave.
- As currently drafted, the bill expressly provides that it does not preempt existing state or local paid sick leave entitlements.
- The provisions will go into effect 15 days after the date of enactment and expire on December 31, 2020.

Unemployment Insurance

The bill provides \$1 billion in emergency unemployment insurance (UI) relief to the states: \$500 million for costs associated with increased administration of each state's UI program and \$500 million held in reserve to assist states with a 10 percent increase in unemployment. Besides the necessary increase in unemployment, in order to receive a portion of this grant money, states must temporarily relax certain UI eligibility requirements, such as waiting periods and work search requirements.

What's Next?

While the situation regarding Congress' response to COVID-19 is very fluid, the Senate will take up the bill early next week. All indications now are that the Senate will pass the bill.

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