

The Families First Coronavirus Response Act Explained

The **Families First Coronavirus Response Act (FFCRA or Act)** effective April 1, 2020, requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19. Under the Act, companies with less than 500 employees must provide all employees with:

- Two weeks of paid sick leave at the employee's full regular rate of pay for employees who are quarantined and/or experiencing COVID-19 symptoms and seeking a medical diagnosis; or
- Two weeks of paid sick leave at two-thirds the employee's regular rate of pay for employees who must care for an individual who is ill or subject to quarantine, or to care for a child whose school has closed.
- Certain employees may also qualify for up to an additional 10 weeks of paid leave at two-thirds the employee's regular rate of pay to care for a child whose school has closed.

Under the FFCRA, covered private employers may qualify for reimbursement through refundable tax credits for all such wages.

Legal Requirements. Each employer is legally required to post in a conspicuous place on its premises a notice of FFCRA requirements. Under the statute, Employers may not discharge, discipline, or otherwise discriminate against any employee entitled to the paid sick leave under the FFCRA. A violation of the FFCRA may result in a fine of up to \$10,000, imprisonment for as much as six months, or both.

Exemptions. Employers who have fewer than 50 employees may qualify for an exemption to the FFCRA if:

1. The provision of FFCRA leave would result in the small business operating at a loss;
2. The absence of key employees for FFCRA leave would bring the business to a standstill because of their specialized skills, knowledge, or responsibilities; or
3. There are simply not enough workers who are able to perform the services provided by the employee requesting FFCRA leave, and these services are needed for the small business to operate.

Employees are not entitled to FFCRA leave if the business is closed and had to fire employees because it did not have work for them or the employees are furloughed. Said employer must be able to demonstrate that it would have taken such action even if the employee had not taken FFCRA leave.

The foregoing is not intended to take the place of legal advice. If you as an employer have any questions or concerns regarding your legal obligations during this outbreak, please contact Rhiannon Jajoo at 832-399-3332 or rjajoo@hanszenlaporte.com.