

H.R. 6201 - The Families First Coronavirus Response Act

Fact Sheet

1. What is H.R. 6201 – The Families First Coronavirus Response Act (FFCRA)?

- The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19. The Department of Labor’s (Department) Wage and Hour Division (WHD) administers and enforces the new law’s paid leave requirements.

2. When is the FFCRA effective?

- Will be effective beginning 4/1/2020; and will cover any leave taken between 4/1/2020 – 12/31/2020.

3. Which employers does FFCRA apply to?

- Any public or private employer who has between 50 – 499 employees.

4. Which employees are eligible for FFCRA?

- All employees who work for eligible employers as referenced above must be provided two (2) weeks of paid sick time for qualifying reasons below as related to COVID-19.
- Employees employed for at least 30 days are eligible for up to an additional 10 weeks of paid family leave to care for a child under certain circumstances related to COVID-19.

5. What are the qualifying reasons for FFCRA approval and manner of pay?

- Under the FFCRA, an employee qualifies for paid sick time if the employee is unable to work (or unable to telework) due to a need for leave because the employee:

Qualifying Reason	How Paid?
1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19	employees taking leave are entitled to pay at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a 2-week period)
2. has been advised by a health care provider to self-quarantine related to COVID-19	
3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis	
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2)	employees taking leave are entitled to pay at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).
5. is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19	employees taking leave are entitled to pay at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period).
6. is experiencing any other substantially-similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury	employees taking leave are entitled to pay at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

Additional information, resources and forms can be found on either website below -

<https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave>
<https://www.shrm.org/ResourcesAndTools/Pages/communicable-diseases.aspx>

Additional HR Related Topics

DIVISION G - TAX CREDITS FOR PAID SICK AND PAID FAMILY AND MEDICAL LEAVE

	What is it?	How does it apply?
SECTION 7001	Refundable credit for 100% of payroll taxes for employer-paid qualified sick leave wages paid each calendar year. Transfers from the general fund of the Treasury are authorized to cover reductions in revenue resulting from this credit.	<ul style="list-style-type: none"> • May not exceed \$200 for any one employee (\$511 per day/employee as defined under FFCRA). • Number of total days permitted per employee equals 10 days.
SECTION 7002	Refundable income tax credit of 100% of sick leave amounts of self-employed individuals under FFCRA. Refundable income tax credit of 67% for all other employees.	<ul style="list-style-type: none"> • Self-employed individuals must maintain documentation prescribed by the Internal Revenue Service to establish eligibility for the credit.
SECTION 7003	Credit for 100% of payroll taxes for qualified family leave wages paid by the employer for each calendar year. Transfers from the general fund of the Treasury are authorized to cover reductions in revenue resulting from this credit.	<ul style="list-style-type: none"> • May not exceed \$200 per day. • May not exceed \$10,000 for all quarters combined.
SECTION 7004	Refundable income tax credit for 100% of the qualified family leave amounts of self-employed individuals, subject to a specified formula for determining the leave amounts.	Self-employed individuals must maintain documentation prescribed by the Internal Revenue Service to establish eligibility for the credit.
SECTION 7005	Wages paid under FFCRA are not considered wages for purposes of the Federal Insurance Contributions Act (FICA). Transfers to specified Social Security trust funds are authorized to cover reductions in revenues.	

To receive any of these credits, the employer will need to document number of employees and file the appropriate paperwork with the IRS. It is recommended that the employer talks with their tax preparer.

EMERGENCY UNEMPLOYMENT INSURANCE STABILIZATION AND ACCESS ACT OF 2020

	What is it?	How does it apply?
SECTION 4102	Funds emergency grants for FY2020 to administer unemployment programs in states meeting certain requirements. The amount of available funds for each state is based on the Department of Labor's determination of the proportion of the total taxable wages attributable to a state during the preceding year.	<ul style="list-style-type: none"> • Each state receives 50% of the determined amount if the state requires employers to notify employees about available unemployment compensation. • Unemployment applications available either by: in-person, phone or online. • State will receive the remaining 50% of funds if: <ul style="list-style-type: none"> ○ State unemployment claims have increased by at least 10% compared to same quarter the prior year, and ○ State demonstrates its policies to increase access to unemployment compensation (i.e. – waiting period, searching for work, etc.).
SECTION 4103	Suspends the accrual of interest through December 31, 2020, on federal payments made to states for assistance with unemployment compensation.	
SECTION 4104	Labor must assist states in raising public awareness about available short-time compensation programs and provide technical assistance and guidance for such programs.	
SECTION 4105	Increases to 100% the federal share of payments to states for extended and regular unemployment compensation through December 31, 2020.	

The Emergency Unemployment Insurance Stabilization and Access Act of 2020 may vary in how it is administered based on the state.

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<https://www.shrm.org/ResourcesAndTools/Pages/communicable-diseases.aspx>