



812 W. Dr. MLK, Jr. Blvd., Suite 101 |
Tampa, FL 33603 |

Phone: (813) 225-1918 | Fax: (813) 225-2531

Email: tjh@whhlaw.com

Effect of Families First Coronavirus Response Act (FFCRA)H.R. 6201.

The United States Congress and the President passed the second coronavirus response act in mid-March of 2020. It passed as House Resolution 6201. (Herein “The Act”) The Act became law on March 18, 2020 amid the Coronavirus outbreak in the U.S. This Act poses dramatic changes to small businesses and sole proprietorships throughout the Country including law firms and collection agencies. It goes into effect on April 3, 2020. Almost all Small Businesses in the U.S. will feel the effects of this law over the next few months.

This Article will provide a brief overview of the Act. It is not intended to be relied upon for a complete analysis of specific applications of the Act in all circumstances. Part of this Act included the Emergency Family and Medical Leave Expansion Act. This EFMLEA Act extends family and medical leave during the a Public Health Emergency to all employers who employ under 500 employees. The current threshold for family and medical leave is any business over 50 employees. As a result, all small businesses and sole proprietorships must now give Family and Medical Leave of up to 12 weeks for Coronavirus related causes. These causes include the following:

1. subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
2. 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 a quarantine order or in self-quarantine;
5. Is caring for a child whose school or place of care is closed for reasons related to COVID-19;
6. or is experiencing any other substantially-similar condition specified by the Secretary of HHS.

Duration of Leave:

For reasons (1)-(4) and (6) a Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible the number of hours of leave that the employee works on average over a two-week period.

For reason (5): A Full-time employee is eligible for up to 12 weeks of leave at 40 hours a week, and a part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

CALCULATION OF PAY

For Leave reasons (1),(2), or (3): employees taking leave shall be paid 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).

For leave reason (4) or (6); employees taking leave shall be paid 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).

For leave reason (5); employees taking leave shall be paid at 2/3 their regular pay 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- two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave). The first 10 days of leave are unpaid. After 10 days the Employer “shall provide paid leave for each day of leave taken after the 10 day unpaid period. The employee may then take 12 weeks of paid leave at 2/3 of the regular rate of pay not to exceed 200 per day or 10k in the aggregate.

GETTING IT BACK

The Employer receives a Tax credit against payroll taxes for each calendar quarter up to an amount equal to 100 percent of the qualified sick leave wages paid by such employer with respect to such calendar quarter. Should the payroll tax amount paid the employer on a quarterly basis not be sufficient to cover the amount paid under the act, the Employer treats the amounts paid as not covered by payroll taxes as a credit against estimated income taxes on taxes. Of course, this does not deal with the fact that there may be extensive losses due to the Virus outbreak. This entire provision sunsets on December 31, 2020. We all hope this is gone by then for sure.

Stay safe and If you have any questions feel free to reach out to us any time.