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Families First Coronavirus Response Act Signed into Law

On March 18th, the Senate passed the Families First Coronavirus Response Act and the President signed it into law. Rob Wilson, President of Employco USA, an employment solutions firm with locations across the country, comments on the issue.

"The new provisions take effect on April 2, 2020," says Wilson. "The new requirements state that companies must provide employees with up to 12 weeks of job-protected paid leave. Companies will pay employees at 2/3 their regular rate, not to exceed \$200 per day and \$10,000 in aggregate per employee. The pay starts after the first 10 days of leave."

Wilson says that these requirements exist if the employee is unable to work or telework in order to care for a minor child. "If the child's school is closed because of the public health emergency, employers must take this into special consideration."

However, Wilson says there currently exists an option to exclude companies with less than 50 employees if this action would jeopardize the continuation of their business, and companies with less than 25 employees may not be required to restore the employee back to the same position after the 12- week leave has been exhausted.

Wilson also addresses the new provisions for the **Emergency Paid Sick Leave Act**.

"Companies are now required to provide employees with paid sick leave for a variety of reasons, including if the employees are subject to a federal, state, or local quarantine or isolation order related to COVID-19; advised by a health care provider to self-quarantine due to COVID-19 concerns; experiencing COVID-19 symptoms and seeking medical diagnosis; caring for an individual subject to a federal, state, or local quarantine or isolation order or advised by a health care provider to self-quarantine due to COVID-19 concerns; caring for the employee's child if the child's school or place of care is closed or the child's care provider is unavailable due to public health emergency; or experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor."

Wilson says that he has spent the last 2 weeks assisting numerous clients in making the tough decision of cutting hours and even letting go of staff.

“It’s heartbreaking for business owners to have to shutter their doors or send their staff home,” says Wilson. “Whether you have 4 employees or 400, it’s not a choice that any employer makes lightly. Yet it’s one that millions in America are being forced to make right now, on an ever-evolving basis, as we continue to get news about this pandemic and its spread.”

Wilson says most of his clients have been forced to lay off staff, and adds that he expects the countrywide shutdown to last through May 1, if not longer. To that end, he is advising clients that they need to expect to have enough cash to get them through June or even July.

“The recovery will be slow,” he predicts. “I don’t think we will see the immediate bounce back that Pres. Trump is referencing.”