

H.R. 6021, the Families First Coronavirus Response Act

Status – Passed House of Representatives; however, “technical corrections” are being made and House will have to pass it again prior to Senate approval and eventual Presidential signature.

Summary – While the bill focuses on individuals impacted by the coronavirus by providing paid leave, food assistance and unemployment insurance, it also provides employers tax credits to offset the costs of providing emergency sick leave.

Regarding paid leave and tax credits, H.R. 6021 would:

- **Establish an emergency paid leave program under the Family and Medical Leave Act where private employers with under 500 employees are required to cover workers impacted workers who have to:**
 - **comply with a requirement or recommendation to quarantine because of exposure to or symptoms of coronavirus,**
 - **provide care to a family member who is complying with a quarantine recommendation or requirement**
 - **provide care for a child younger than 18 whose school or daycare is closed**
- **Employers would be required to cover workers for a total of 12 weeks of job-protective leave. Additionally, the legislation requires 14 days of paid sick leave for impacted workers. Further details:**
 - **Following 14 days of emergency sick leave, pay for an employee follows a 2/3 normal pay rate schedule**
 - **Unpaid leave can be requested by employees meeting certain criteria for coronavirus related circumstances until December 31, 2020**
 - **Workers under multi-employer collective bargaining agreements have access to these benefits**
 - **A company under 50 employees can request an exemption from these provisions from the U.S. Department of Labor**

Tax Credits for Employers

- **The bill creates a new, temporary (December 31, 2020) credit for the employer’s share of payroll taxes for the new sick leave requirement and for paid family leave. This credit is ONLY of companies under 500 employees.**

- **These credits would be limited. The maximum annual per-employee credit for the sick leave pay would be \$317 for employees taking time to care for themselves and \$124 for employees taking time to care for others.**
- **Per employee maximum credit for family leave pay would be \$620 per employee.**
- **The credits would be refundable to the extent that the credit amounts exceed a company's aggregate payroll tax liability**