



FAMILIES FIRST RESPONSE ACT

This legislation was passed before the CARES Act and establishes:

- Expanded family and medical leave for employees affected by COVID-19
- Refundable tax credits for employers
- Effective: March 18, 2020 through December 31, 2020
- Key provision for employers - paid, job-protected sick leave required for employees at companies with 500 or fewer employees.

Qualifying leave reasons:

- Federal, State, or local quarantine or isolation order related to COVID-19;
- Advised by a health care provider to self-quarantine related to COVID-19;
- Experiencing COVID-19 symptoms and is seeking a medical diagnosis;
- Is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);

- 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; or
- 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.
- **Unable to telework** (this is an important consideration since most clients have the ability to telework)

Under the Act, an employee qualifies for expanded family leave if the employee 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.

- **Coverage duration:**
 - The first 14 days of leave must be paid 100% of normal pay rate up to the limits below
 - Subsequent to the first 14 days, employees paid at least 2/3 of their normal pay rate for up to 3 months, up to the limits below
- **Pay Calculations & Limits:**
 - For leave reasons (a), (b), or (c) => 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).
 - For leave reasons (d) or (f) => 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).

- For leave reason (e) => 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).

- **Cost coverage for Employers:**
 - Employers can claim payroll tax credits to offset the costs of sick leave:
 1. Wages as a credit up to \$511/day if the employee is sick
 2. Up to \$200/day if the employee is taking care of a family member.
 3. [Regulatory guidance](#) for how to claim credits:
 4. Additional information at [Department of Labor](#)

- Small businesses with fewer than 50 employees may qualify for exemption from the requirement to provide leave due to school closings or child care unavailability if the leave requirements would jeopardize the viability of the business as a going concern.

- Paid sick time provided does not carryover from one year to the next. Employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.