**Overview of Families First Coronavirus Response Act (FFCRA)**

Congress has passed (quickly) 2 laws pertaining to the impact of Coronavirus (COVID-19) in the workplace. DOL has not yet issued regulations so the information below is from the Acts.

* BOTH Acts are effective on April 2, 2020 and terminate on December 31, 2020
* These Acts do NOT apply to an employee on furlough
* Applies to employers with fewer than 500 employees.
  + Bishop Parkes, under advice from our legal counsel, has determined that each of our entities are to be looked at individually for this purpose.
* Families First Coronavirus Response Act: Employee Leave Rights
  + **Emergency Paid Sick Leave**
* Families First Coronavirus Response Act: Employer Paid Leave Requirements
  + **Emergency Paid Family Leave**

**Emergency Paid Sick Leave –**

* TWO weeks (10 days) of paid time off (Special rules for Part-Time employees)
* Employee is eligible on day 1 of employment
* There are **6 reasons** a person may take SICK leave.

The **first 3 reasons** have to do with the employee themselves:

* + 1 – Employee subject to quarantine or isolation order related to COVID-19
  + 2 – Employee advised by health care provider to self-quarantine because of COVID-19
  + 3- Employee experiencing symptoms of COVID-19 ***and*** is seeking medical diagnosis.

The **last 3 reasons** have to do with caring for someone else:

* 4 – Employee is caring for an individual who is subject to quarantine pursuant to reasons 1 and 2.
* 5 – Employee is caring for a child or children whose school or place of care is closed, or childcare provider is unavailable, due to COVID-19 precaution (like FMLA + discussed below).
* 6 – Employee is experiencing a similar condition as specified by HHS, DOL or Treasury.

**Required Wage Replacement for Emergency Paid SICK Leave**

* **Emergency paid sick leave –** the amount of pay a person receives is dependent upon which of the 6 reasons the employee is taking the leave for:
* If Employee is taking sick leave due to reasons 1 – 3 then they receive their full pay equivalent up to $511.00 per day or $5110.00 total.
* If Employee is taking sick leave due to reasons 4 – 6 then they receive 2/3 of their normal pay up to $200.00 per day or $2000.00 total.

**Family Leave applies to one reason alone - caring for a child**- Employee can take leave for a “qualifying need related to a public health emergency” – If employee is unable to work (OR TELEWORK) to care for a son or daughter under 18 years of age if the school or place of care has been closed, or the childcare provider is unavailable, due to a public health emergency.

* Employee F/T or P/T that has been employed for 30 calendar days. (not the 1250 hours during last 12 months like our FML policy)

**Required Wage Replacement for Family Leave of up to 12 weeks**

* Weeks 1 and 2 are unpaid, however, employee may have the first 2 weeks covered under reason 5 of the Emergency Paid Sick Leave Act.
* Weeks 3 through 12 will be paid at 2/3 employee regular rate of pay for hours scheduled to work with max of $200.00 per day or $10,000.00 total (Special rule for Part-Time employees)

**Tax Credits for BOTH Paid Sick and Paid Family Leave**

* Employers will receive 100% payroll tax credit (refundable as needed) for required paid Sick and paid Family Leave wages plus certain employer health care expenses when their quarterly tax returns are filed.

Paylocity files these tax returns for you, but accuracy will be based upon the coding you have entered in the Paylocity system. This will require you to use the new codes created by Paylocity for recording these two types of mandatory paid leave.

**The code that you will use will depend on which type of leave the employee is requesting**:

**FFCSS** – use when an employee is requesting paid ***sick leave* *for their own personal illness*** or quarantine

**FFCSD** – use when an employee is requesting paid ***sick leave to care for another individual***

**FFCPF** – use when an eligible employee is requesting ***family leave to care for their son or daughter***

Paylocity will use a lookback period of 6 months to calculate regular rate of pay for variable hour employees.

**This means you must have hours recorded in Paylocity for every employee for the last six months. Of course, you also need these hours recorded in order to comply with Affordable Care Act regulations and for the employee’s earned pension credit to be accurate.**

**What I need from you:**

If you have employees (Full Time OR Part Time) that were hired (or re-hired) AFTER October 1st, 2019 (within 6 months of April 2, 2020) you will need to advise me of the **average number of hours you expect the employee to work in a 2-week period** (regardless of your pay frequency).

I will have to manually enter these hours into the Time Off accumulator that was set up to track paid sick leave. Please include your entity ID, the employee’s name and the average # of hours.

\*\*\*The “COVID – Covid 19 Relief” hours / earnings code that is currently in Paylocity was set up to use if your entity was paying someone who was not able to work due to your entity being closed. This COVID code is not to be used for mandatory paid sick time or mandatory paid family time off and will NOT affect tax liabilities or tax credits.