FEDERAL RESPONSE TO COVID-19

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Important Information for Birth Centers
COVID-19 Cases Worldwide

Total confirmed cases, including presumptive positives. Total confirmed cases: 2,152,646

None Reported | 1+ | 100+ | 1,000+ | 10,000+

Note: Data as of 4/16/2020, refreshed once a day. 721 cases from Diamond Princess and MS Zaandam are not attributed to a single country and therefore are not represented in the map.

Source: Johns Hopkins University Center for Systems Science and Engineering (JHU CSSE)
Credit: FiscalNote
COVID-19 Cases in the United States
Total confirmed cases, including presumptive positives. Total confirmed cases: 667,801

Note: Data as of 4/16/2020, refreshed once a day. 1387 cases from 5 territories and 2 non-state locations (like cruise ships) are included in the overall total, but are not represented in the map.
Source: Johns Hopkins University Center for Systems Science and Engineering (JHU CSSE)
Credit: FiscalNote
Federal Response and Support

H.R. 748, Coronavirus, Aid, Relief, and Economic Security (CARES) Act, Signed into law on March 27, 2020

- Small Business Administration (SBA)- Paycheck Protection Program.
  - Begins Friday, April 3, 2020
  - Loans of 2 ½ times monthly business payroll
  - Forgivable loans if used for payroll, benefits, rent
  - [https://www.sba.gov/](https://www.sba.gov/)
Federal Response and Support

H.R. 6201, Families First Coronavirus Response Act (FFCRA), Signed into law on March 18, 2020

  - Two weeks (up to 80 hours) of paid sick leave at the employee’s regular rate of pay where the employee is unable to work because the employee is quarantined.
  - Two weeks (up to 80 hours) of paid sick leave at two-thirds the employee’s regular rate of pay because the employee is unable to work because of a bona fide need to care for an individual or child subject to quarantine.
Federal Response and Support

- Emergency Family and Medical Leave Expansion Act.
  - Up to an additional 10 weeks of *paid expanded family and medical leave* at two-thirds the employee’s regular rate of pay where an employee, who has been employed for at least 30 calendar days, is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19.
  - The required pay for this leave is capped at $511 per day ($5,110 in the aggregate) where leave is taken for state-mandated or doctor-recommended quarantines; and $200 per day ($2,000 in the aggregate) where the employee is taking leave to care for a family member or is staying home due to school closures.
Federal Response and Support

- Refundable Tax Credit to Assist Employers with Paid Sick Leave and FLMA Costs
  - To defray the costs of these new employee benefits during this pandemic, employers would receive a 100 percent refundable tax credit applied to the employer portion of the Social Security payroll tax for both paid sick leave and family leave wages.
  - Employers who pay qualifying sick or family leave will be able to retain an amount of the payroll taxes equal to the amount of qualifying sick and family leave that they paid, rather than deposit them with the IRS.
Federal Response and Support

- New unemployment benefits.
  - Federal Pandemic Unemployment Compensation program including providing for immediate benefits, providing an additional $600 per week through July, and providing for an additional 13 weeks of regular benefits beyond the normal 26 weeks.
  - Short-Time Compensation (STC) programs are a variation of unemployment insurance meant to prevent layoffs. Under such programs, instead of laying off workers during an economic downturn, employers can cut back the number of hours worked and spread those hours among the entire workforce — with workers whose hours are cut receiving a prorated UI benefit to make their compensation whole.
  - Federal government would pay 100% of a state's STC benefits, for up to 26 weeks of benefits for states that already have, or that establish, permanent programs in 2020. For states that establish temporary STC benefit programs, the federal government would pay up 50% of the state's benefit costs.
Federal Response and Support

U.S. Department of Labor

- Exemptions from paying paid sick leave and FLMA for “health care providers and emergency responders”
- Employers with 50 or fewer employees that show payment would be a hardship
- On March 28, DOL issued guidance greatly expanding the definition of “health care provider” for purposes of this exemption.
EMPLOYEE RIGHTS
PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

▶ PAID LEAVE ENTITLEMENTS
Generally, employers covered under the Act must provide employees:

Up to two weeks (80 hours, or a part-time employee’s two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:

- 100% for qualifying reasons #1-3 below, up to $511 daily and $5,110 total;
- 2/3 for qualifying reasons #4 and 6 below, up to $200 daily and $2,000 total; and
- Up to 10 weeks more of paid sick leave and expanded family and medical leave paid at 2/3 for qualifying reason #5 below for up to $200 daily and $12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

▶ ELIGIBLE EMPLOYEES
In general, employees of private sector employers with fewer than 500 employees, and certain public sector employers, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #6 below.

▶ QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19
An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to telework, because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
2. has been advised by a healthcare provider to self-quarantine related to COVID-19;
3. is experiencing COVID-19 related symptoms and is seeking a medical diagnosis;
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);
5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or
6. is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services.

▶ ENFORCEMENT
The U.S. Department of Labor’s Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employers may not discharge, discipline, or otherwise discriminate against any employee who lawfully takes paid sick leave or expanded family and medical leave under the FFCRA; files a complaint; or institutes a proceeding under or related to the Act. Employers in violation of the provisions of the FFCRA will be subject to penalties and enforcement by WHD.

For additional information or to file a complaint:
1-866-487-9243
TTY: 1-877-889-5627
dol.gov/agencies/whd

Download at:
Federal Response and Support

Assistance for American Workers, Families and Businesses

- Deferral of Payroll Tax Payments

As an additional incentive to keep workers on staff, the Act would allow companies to defer the 6.2 percent Social Security tax on all wages up to $137,700 for the rest of the year, though an employer would have to pay it back in equal installments in 2021 and 2022. What they owe, though, could be reduced by the tax credits earned by keeping employees on their payroll.
Federal Response and Support

- Employee Retention Tax Credit
  - The bill establishes an employee retention credit for those subject to closure due to COVID-19. It provides a refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis.
The centerpiece of the tax provisions is the inclusion of direct payments to households: $1,200 for individuals and $2,400 for joint filers, with an extra $500 per child. Those amounts phase out by 5 percent of adjusted gross income above $75,000 for single filers and $150,000 for married couples. A family of four earning $200,000 would see their credit reduced to $900 from the maximum $3,400.
Federal Response and Support

- Retirement Savings Withdrawals and Loans
  - Will allow no-penalty hardship withdrawals from 401(k)s and other retirement plans as Americans struggle to find cash to make it through the coronavirus pandemic. The legislation contains relaxed rules for taking out loans against retirement savings, for deducting charitable contributions and for taking required minimum distributions from retirement plans.
  - The bill not only waives the 10 percent early withdrawal penalty from a retirement plan but gives those who make withdrawals three years to return the money to their plan. In addition, the income taxes owed on these distributions are also spread out over that same three-year period.
SBA Economic Injury Disaster Loans and Loan Advance

- Up to $2 million in assistance.
- To be used for:
  - Working capital to help overcome temporary loss of revenue tied to impact of disaster.
  - Paying fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact.
- Terms: Up to 30 years at 3.75% fixed interest rate.
- Application to approval: 21 days plus up to 5 days for disbursement.
- Applicants for EIDL would not be eligible for Paycheck Protection Program loans and vis versa
Federal Response and Support

- Important Links
  - http://sba.gov
  - https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp
  - https://www.dol.gov/agencies/whd/pandemic
  - https://home.treasury.gov/cares
  - https://www.coronavirus.gov/
Contact Us

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