



Families First Coronavirus Response Act

What U.S. Recreational Boating employers need to know

On Wednesday, March 18, 2020, President Trump signed H.R. 6201, the *Families First Coronavirus Response Act*, into law, and its provisions go into effect within 15 days. The law provides paid sick leave, free COVID-19 testing, food and unemployment benefits, among other items. These provisions expire on December 31, 2020.

Who is affected?

Employers with fewer than 500 employees are subject to the expanded emergency family paid leave, and emergency paid sick leave.

Employer Tax Credit

Employers will receive 100% of employer costs for providing paid sick leave or paid family leave for COVID-19 related reasons through a refundable tax credit. These also are uncapped, and offset employer contributions for health insurance premiums for the period of the leave.

Emergency Sick Leave

Employers with fewer than 500 employees will be required to provide two weeks (10 business days) of emergency sick leave to employees, regardless of tenure, who cannot work or telework if they meet the following requirements:

- The employee is subject to a coronavirus isolation order, or is advised by a healthcare provider to self-quarantine due to specific coronavirus concerns;
- The employee is exhibiting coronavirus symptoms and is seeking a medical diagnosis;
- The employee is caring for an individual who meets the above requirements, or a child whose school, childcare, or school is closed/unavailable due to coronavirus precautions.

Full-time employees are to be granted 80 hours of paid sick leave, and part-time employees are granted time equivalent to their average hours worked in a two-week period. Employers cannot require an employee to use other available paid leave before using this time.

Generally, employees are entitled to have their position restored. This does not apply to a business with fewer than 25 employees if the position the employee held no longer exists due to changes during the public health emergency, and the employer makes reasonable efforts to restore the employee to an equivalent position.

Emergency Family Leave

Employers with fewer than 500 employees will be required to provide up to 12 weeks of emergency family leave to employees who have been employed by the company for 30+ days, and who are unable to work or telework because the employee must care for a child whose school, childcare, or school is closed/unavailable due to coronavirus precautions.

The first 10 days of leave can be unpaid. During that time, an employee may opt to use paid time off that has already accrued. Following this, employers must pay employees equal to at least 2/3 the employee's normal pay rate, capping at \$200 per day, and \$10,000 in aggregate.

The Department of Labor has the option to exempt businesses with fewer than 50 employees from providing emergency family and medical leave, if it would jeopardize the viability of the business.