

CORONAVIRUS COVID-19

WEBINAR SERIES:

Manufacturing Solutions to COVID-19 Challenges

Session 1: How to Navigate Immediate Labor Concerns

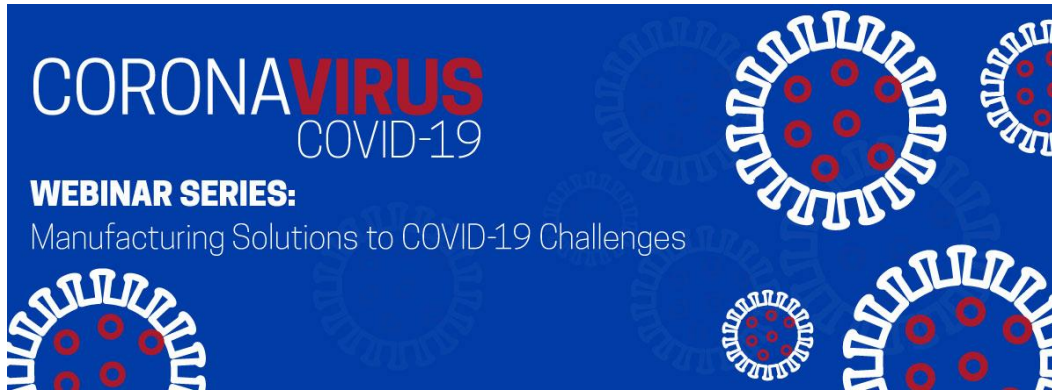
This webinar series is being presented by:

CMMA, MPMA, and TSMA

With Industry Partners:

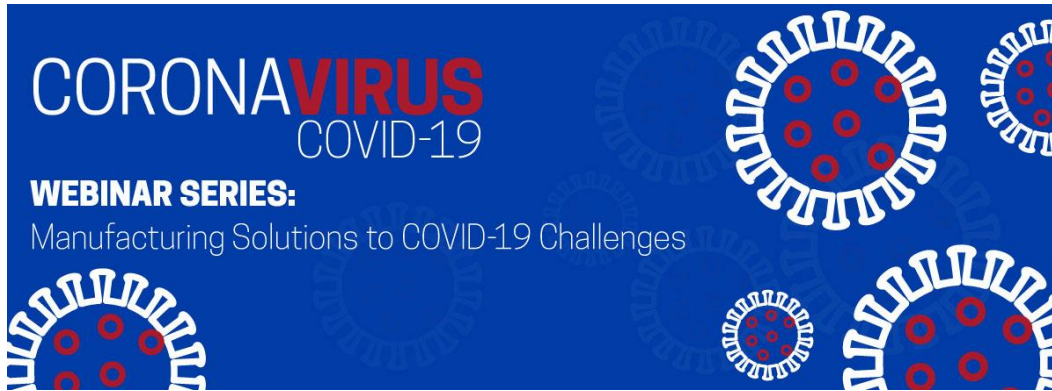
LAMA, Hwy 2 West, Manufacturers Alliance, and

Minnesota State Advanced Manufacturing Center of Excellence



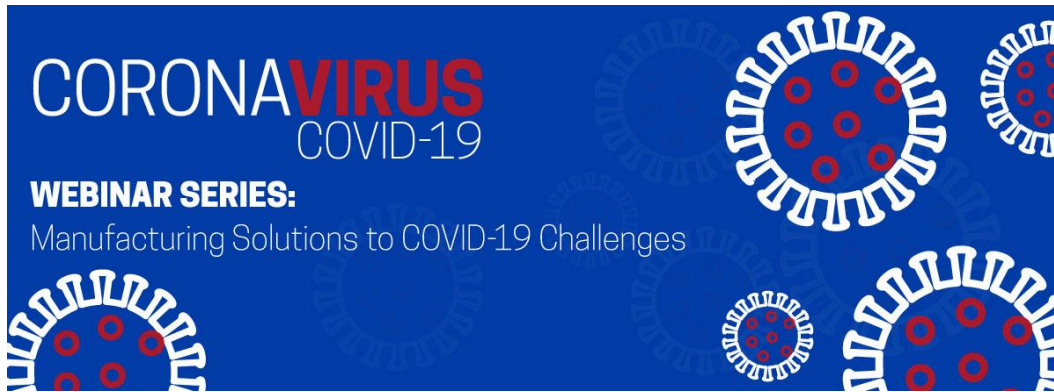
Top Manufacturer Concerns

- SBA Disaster Loans
- Essential Business Status. [CISA Standards](#)
- Labor challenges



Legislative Updates

- NO shelter in place order
- COVID-related bills
 - Assistance to childcare providers
 - Flexibility to health care
 - Hourly school workers
- Latest Executive Orders/Announcements from Walz Administration include:
 - PPE Inventory
 - MN state income tax filing deadline moved to July 15
 - DEED has created a partially forgivable loan program for business closures



General Updates

- Find or offer resources at [Medical Alley](#) or [Mn Chamber's Grow Minnesota Initiative](#)
- Reach out to “essential” OEM customers to offer support in any crucial path items and ask for a letter if they deem you essential.
- PPE – Governor Order to inventory all PPE by 3/25
- MPMA launched a [COVID-19 resource page](#)
 - SBA loans, Essential status, webinar recordings, etc...



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Employer Requirements in Response to
the COVID-19 Pandemic



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Families First Coronavirus Response Act (FFCRA)

1. Emergency Family and Medical Leave Act (Division C)
2. Emergency Sick Leave (Division E)
3. Employer Tax Credits (Division G)
4. Exemptions



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Families First Coronavirus Response Act (FFCRA)

- Applies to employers with fewer than 500 employees (including employers with less than 50 employees)
- Requires employers provide family leave and emergency sick leave related to the COVID-19 Pandemic
- Provides employers a tax credit to offset payments made under the FFCRA
- Allows an exemption to certain employers with fewer than 50 employees
- Takes effect April 2, 2020 and is effective through December 31, 2020
- Employers will be required to post notices regarding the FFCRA, which will likely be published by the end of this week



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Emergency Family and Medical Leave Act (EFMLA)

Extends the FMLA requirements to all employers if the leave request relates to COVID-19

Covers all employees who have worked for the employer for at least 30 days

Employee leave request must relate to a bona fide need:

1. to care for a family member subject to a required or recommended COVID-19 quarantine
2. to care for a child whose school or child care provider closed due to COVID-19; and/or
3. to adhere to a recommended self-quarantine due to experiencing COVID-19 Symptoms

The first 10 days of this leave may be unpaid. The employee has the option of using any accrued vacation leave, PTO, or sick leave for this unpaid period, but employer cannot require it

Following the initial 10 days, the employee shall receive at least 2/3 of their regular rate of pay for two weeks (up to 80 hours), not to exceed \$200 per day or \$10,000 in total

A full time employee on leave related to the care of a child may receive up to an additional 10 weeks at the 2/3 pay rate after the initial two week leave



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FFCRA Exemption

Certain employers of healthcare providers are excluded from the FFCRA requirements

The Department of Labor may also exempt businesses with fewer than 50 employees

- Must show “the imposition of such requirements would jeopardize the viability of the business as a going concern”
- Awaiting the Department of Labor to issue guidance and/or regulation regarding the exemption procedures



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Emergency Paid Sick Leave

All employees eligible for emergency sick leave related to COVID-19 under the FFCRA, regardless of employment length

Available for immediate use by the employee with no waiting period

Employers must provide emergency sick leave to employees who cannot work if the employee:

1. is subject to federal, state, or local quarantine due to COVID-19;
2. has been advised by a health care provider to self-quarantine related to COVID-19;
3. is experiencing symptoms of COVID-19 and seeking a medical diagnosis;
4. is caring for an individual who is subject to quarantine or has been advised by a medical provider to self-quarantine;
5. is caring for a child if the child's school or place of care has been closed, or the child care provider is unavailable due to COVID-19; or
6. is experiencing substantially-similar condition specified by the Secretary of Health and Human Services

An employee on leave for "self-care" (items 1-4 and 6) is entitled to up to their full normal rates (capped at \$511 a day), and an employee on leave for "family-care" (5) is entitled to two-thirds of their wages (capped at \$200 a day)

Full-time employees are eligible to receive 80 hours of sick leave; and each part-time employee is eligible to receive the average number of hours the employee works over a two-week period



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FFCRA Employer Tax Credits

Employers must absorb the initial cost of the paid sick leave provision under the FFCRA

Employers are eligible for a refund credit of the 6.2% employer portion of the Social Security payroll tax

Payment for family leave under the EFMLA will allow the employer a credit of actual wages (including qualified health plan expenses relating to those wages) paid to employees under the FFCRA

- The credit is limited to \$200 per day and no more than \$10,000 aggregate for each qualifying employee

Payment for emergency sick leave will allow the employer a credit of actual wages (including qualified health plan expenses relating to those wages) paid to employees under the FFCRA

- The credit is limited to \$511 per day for employees on self-care sick leave, and \$200 a day for employees on family care sick leave

Department of Treasury will issue guidance and regulation clarifying the credit procedures

COVID 19 Workforce Solutions



Social Distancing

- Flexible hours, multiple shifts and breaks
- Separate work areas/cells
- Remote work for all non-production personnel (leverage technology, such as Zoom)
- Communicate the importance of this to your workforce!



Proactive Solutions

- Contingency Planning
 - ✓ Look 2 steps ahead & up supply chain
 - ✓ Align to essential manufacturing
 - ✓ Essential personnel list
- Cross training/labor
 - ✓ Focus on “mission critical” tasks (i.e. sales, process, etc.)
- MN Unemployment Shared Work Program



Out-of-the-Box Solutions

- Partner with competitors and suppliers
- Innovative ideas from other industries, associations, and networks
- Engage your workforce in the solution! The best ideas have come from here.



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Questions?

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