

HR 6201 Families First Coronavirus Response Act

On March 18 the Senate passed, and the President signed, the Families First Coronavirus Response Act (HR 6201). The new law takes effect no later than April 2 and will expire December 31, 2020 (unless Congress extends some or all provisions).

The bill provides a variety of assistance to populations affected by the COVID-19 pandemic, as well as the economy as a whole. The bill also provides protections to workers who are or could be effected by the virus, as well as supports for employers who could incur substantial increased costs. A summary of issues important to Vincentians is below, along with links to more information and further resources.

Unemployment Insurance (UI)

The bill provides \$500 million in grant funding to support state unemployment program administration, as well as \$500 million in emergency grants for states that experience at least a 10 percent increase in unemployment rates. The bill also makes available interest-free loans for benefits payment.

States administer UI programs and have flexibility to respond to local realities. [Find information for your state unemployment program here.](#)

Work-Sharing

The bill provides technical assistance to states (no funding) to establish work sharing programs. Work sharing allows employers to reduce employee hours in lieu of layoffs. Currently, 28 states have active work sharing programs. Find information about a specific state's work-sharing program and employer participation requirements [from the National Conference of State Legislatures.](#)

Paid Sick Leave

The bill requires all employers of less than 500 employees to give two weeks (80 hours) of paid sick leave to any full-time employee for testing, treatment, or quarantine time related to coronavirus. Part-time employees are entitled to a prorated amount based on a typical two-week work period.

Employers must also provide 2/3 regular rate of pay to employees who have to care for an affected loved one, care for a child whose school has closed, or whose child care has been interrupted by the virus.

Family and Medical Leave Act Expansion

The bill also gives employees of employers with fewer than 500 employees (with at least 30 days of work history) the right to take up to 12 weeks of job-protected leave. This leave can be used to quarantine, to care for a family member who is in quarantine, or to care for a child whose school has been closed or whose child care has been interrupted

After the two weeks of paid leave outlined in the previous section, employees will receive no less than 2/3 regular rate of pay for the duration of the job-protected leave.

Employees may first use paid sick leave provided by this bill before using other available paid leave, and an employer may not require an employee to use other employer-provided paid leave before using this leave.

Notice of Act Must Be Posted, and Retaliation Is Prohibited. Employers must post notice informing employees of their rights under this Act. Employers may not discharge, discipline or in any manner discriminate against an employee who takes paid leave or files any complaint under this Act

Employer Tax Credits

The bill provides a refundable tax credit for 100 percent of wages paid pursuant to the paid sick and family and medical leave act policies. The credit is allowed against the employer portion of Social Security taxes (meaning, importantly, nonprofits can take advantage of it). The Secretary of the Treasury will issue further guidance on these credits.

For the purposes of credits applied to paid sick leave, there is a distinction between:

- Wages paid to employees directly affected, meaning they have to get tested or quarantine. For these employees, the amount is capped at \$511/employee/day.
- Wages paid to employees caring for a family member, or for a child whose school has been closed or child care has been interrupted. For these employees, the amount is capped at \$200/employee/day.

For the purposes of credits applied to paid family leave, the amount of wages taken into account is \$200/employee/day and \$10,000 for a calendar quarter.

Potential Exemptions

The Secretary of Labor may issue regulations that exempt small businesses with fewer than 50 employees from the paid sick and family leave requirements, if complying with the requirements would jeopardize the viability of the business (as of the writing of this memo, it is unclear if nonprofit organizations could qualify under such an exemption).

Food and Nutrition

Includes \$1.2 billion for additional nutrition assistance to low-income seniors, food banks, students who lose access to school lunch, and other affected populations. These funds will be administered through existing programs (e.g. WIC, SNAP, etc.). The bill also suspends work and employment requirements for SNAP recipients. More information on hunger related resources: [Food Research and Action Center](#) and [Feeding America](#).

Health Care

Requires all public and private health insurance to cover COVID-19 testing at no cost to the patient.

Community health response to coronavirus is being provided by local officials, and most have set up local response communications programs. Seek out your governor's and/or mayor's website for more information. Additionally, you can find information about your county health official's [website and contact information here](#).

Follow the [Centers for Disease Control and Prevention](#) for the most recent federal news and announcements.

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Housing

Unrelated to the Families First Coronavirus Response Act, the Administration recently [announced a moratorium on mortgage foreclosures and related evictions](#). What this does and does not do:

- Halts current foreclosure actions and evictions related to foreclosures
- Does NOT apply to rental evictions
- Is NOT a suspension of mortgage payments

If a homeowner is not in foreclosure but is affected by the coronavirus and cannot make payments, more information is available from [Fannie Mae](#) and [Freddie Mac](#) (if applicable). If a homeowner feels they are struggling to make payments or will soon, they should contact their lender immediately and inquire about hardship programs.

Renters are not protected by the recent announcement. Furthermore, it still is not clear if renters assisted with public housing dollars fall under the scope of the HUD moratorium. See your state, county, and municipal authorities for up-to-date resources in your area.