



Families First Coronavirus Response Act¹ **What Workers Need to Know: About Paid and Family Leave Provisions**

Overview:

This new law has a simple goal: stop the spread of the virus by giving workers and employers the support needed. The law provides paid sick leave and paid family leave to address work and employment interruptions related to the COVID-19 coronavirus. Both benefits are funded dollar-for-dollar for employers through a refundable tax credit program administered by the Internal Revenue Service.

Paid Sick Leave:

Provides a 100% refundable tax credit for small and medium size businesses with under 500 employees to provide paid sick leave to employees affected by COVID-19, which means:

- Employees subject to a Federal, State, or local quarantine or isolation order;
- Employees who have been advised by a health care provider to self-quarantine;
- Employees experiencing symptoms of COVID-19 and seeking a medical diagnosis;
- Employees caring for an individual subject to isolation order, or quarantined employee;
- Employees caring for a son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19 precautions; or
- Employees experiencing any other substantially similar condition specified by HHS.

Eligible full-time employees can receive up to 80 hours of paid sick leave, while part time employees are eligible for leave based on their recent work history. Paid sick leave is calculated based on an employee's regular compensation, and capped depending which of the above categories applies to their situation.

Paid Family Leave:

Allows small and medium-size businesses with under 500 employees to provide paid family leave to certain employees affected by COVID-19. This provision is targeted to specific employees who are unable to work (or telework) because they are caring for a son or daughter (if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19 precautions). Eligible full-time employees can receive family leave pay at a rate not less than two-thirds of their regular pay. The paid family leave pay is capped at \$200 per day (and \$10,000 in the aggregate).

This document was prepared as an informational resource and should not be considered legal or business counsel. Please reach out to CoronavirusHelp@braun.senate.gov for questions, concerns, or additional assistance. Last updated April 2, 2020.

¹ [H.R.6201](#) [116th] Families First Coronavirus Response Act, enacted into law on March 18, 2020 (Public Law No: 116-127). This package is also often referred to as the "Phase 2" package.