



COVID-19 NEWSLETTER

Families First Coronavirus Response Act & New York Program

March 19, 2020

Yesterday two significant bills were signed into law relating to paid sick leave that create important requirements for employers. We encourage all clients to be aware of these new requirements and contact us for questions or assistance as needed. We have assembled a team to help clients with these questions.

Families First Coronavirus Response Act

Families First Coronavirus Response Act (FFCRA) requires all businesses with under 500 employees to provide paid sick leave to all employees for a variety of COVID-19 related reasons. Those reasons include if they are experiencing the symptoms of COVID-19 or are required to self-isolate, are subject to or caring for someone under a quarantine order, or caring for children whose school or daycare has closed.

The law also provides parents who need extended leave to care for children currently out of school or daycare with 10 additional weeks of paid leave at 2/3 of their salary.

To offset the cost of these new requirements, Congress created new refundable credits to offset the employer's quarterly payroll taxes. These credits will reduce employment taxes dollar-for-dollar by the amount of paid sick leave paid under the programs above and is refundable if the credit exceeds the employer's employment taxes for that quarter.

New York Program

For those of our clients who are in New York, New York passed its own sick leave bill yesterday. It requires business having between 11 and 99 employees to provide 5 paid sick days and provide short term disability benefits. Employers with ten employees or less and that have more than \$1 million in revenues must give workers access to paid family leave and short-term disability but will not have to fund it themselves. The New York legislation forbids employers from firing or penalizing workers who fail to show up while the government is recommending or mandating that people stay inside to slow the spread of coronaviral (as is now the case). In addition, Governor Cuomo has issued an executive order requiring business to use telecommuting to the maximum extent possible and requiring a 75% reduction in in person work force as of 8 PM March 20 (except for essential businesses).

Further Help

We understand that at this time of crises these additional requirements may prove difficult for many employers. They also may be the springboard for litigation and problems down the road. Our team stands ready to help. For further assistance, do not hesitate to call any member of our team:

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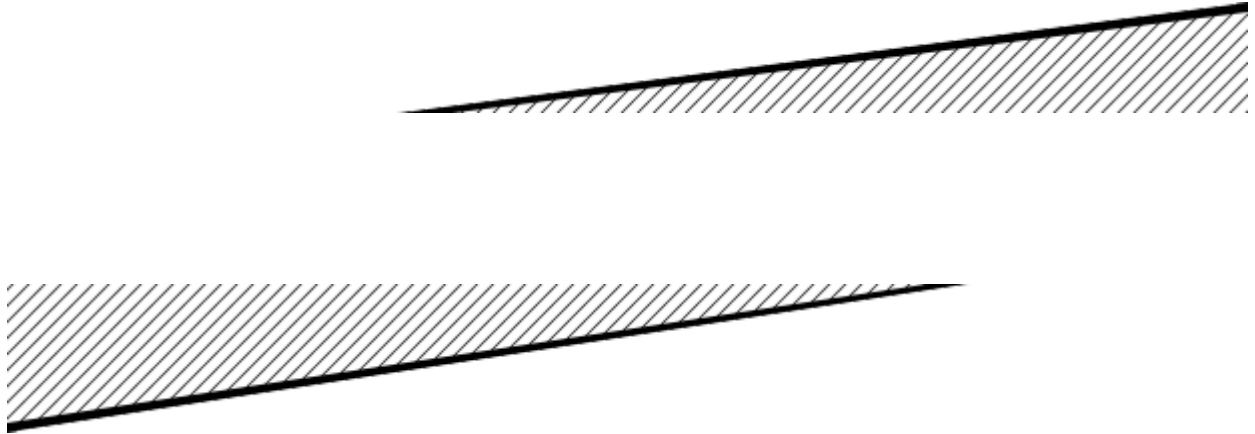
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