

Dear World Floor Covering Association Member,

With the help of our Legal Counsel lobbying firm in Washington, DC, the World Floor Covering Association is committed to making sure our members are up to date on the latest information on the COVID-19 (Coronavirus) that is impacting all its members and their employees. Provided below is an explanation of the provisions in the latest legislation that are likely to impact your business.

**Families First Coronavirus Response Act:** Yesterday, March 18, 2020, the U.S. Senate passed H.R. 6201, the Families First Coronavirus Response Act. President Trump signed it into law shortly after receiving the legislation from Congress. As you may already know, the bill is slightly different than first reported earlier in the week due to last-minute changes authored by the U.S. House of Representatives. In total, this “Round 2” response to coronavirus provides about \$100 billion in relief to families and small businesses. As explained below, the biggest change was to limit the extra ten weeks of leave to apply only to care for children.

The bill includes a 100% refundable tax credit to employers with regard to the following two categories of paid sick and family leave that employers must grant to employees under the bill to address employment interruptions related to COVID-19.

1. Two Weeks Leave: Employers with less than 500 employees would be required 2 weeks of paid leave qualified employees. Full time employees must be provided with 80 hours (or 2 weeks) of fully paid leave to full-time employees. For part time employees, the amount of leave would be based on pro-rata rules. The required leave is on top of any other existing paid leave program of the employer to cover employees not working.

The leave applies to employees who:

- (1) Are subject to a Federal, State, or local quarantine or isolation order related to coronavirus;
- (2) Has been advised by health care provider to self-quarantine due to coronavirus;
- (3) Are experiencing symptoms of coronavirus;
- (4) Are caring for an individual who is subject to an order described in (1) or has been advised as described in (2);
- (5) Are for their child because the school is closed or child care provider is unavailable due to coronavirus; and
- (6) Are experiencing a similar condition specified by Secretary of HHS.

There are limits and different requirements depending on why the employee is not working.

- Items (1), (2), or (3): Employers are required to pay employees their full wages, not to exceed \$511 per day and \$5,110 in the aggregate.
- Items ((4), (5), or (6): Employers would be required to pay employees two-thirds of their wages, not to exceed \$200 per day and \$2,000 in the aggregate.

Secretary of Labor has authority to issue regulations to exempt small businesses with fewer than 50 employees if the above requirements would jeopardize the going concern of the business.

2. Ten Weeks Leave: Employers with less than 500 employees are generally required to provide an additional ten weeks of paid leave to employees who are not working because the employee is caring for their child because the school is closed or child care provider is unavailable due to a public health emergency. Employers are required to pay employees two-thirds of their wages, not to exceed \$200 per day and \$10,000 in the aggregate.

Secretary of Labor has authority to issue regulations to: (1) exclude certain health care providers and emergency responders from the definition of eligible employee; and (2) exempt small businesses with fewer than 50 employees if the above requirements would jeopardize the going concern of the business.

**Stimulus Relief:** Congress is considering a significant stimulus package that would include sending two large checks to many Americans and devoting \$300 billion toward helping small businesses avoid mass layoffs. The stimulus could also include substantial money to help rescue the airline industry and other business sectors, such as hotels.

WFCA will be advocating for additional relief for small businesses and will keep members informed of developments. Congressional staffs have requested WFCA to provide suggestions to help small businesses. Please communicate your needs to us ASAP so that we can pass them along to legislators as these relief packages are negotiated. The time to engage is now. Please send any suggestion to [jeffw@jkingesq.com](mailto:jeffw@jkingesq.com) and [mperkins@lobbyit.com](mailto:mperkins@lobbyit.com).