

Regarding the COVID-19 Legislation Information for Simploy Partners/Clients

New legislation for COVID-19 (Public Law No: 116-127) became law on 03/18/2020. The following are some notes regarding the Act, which may apply to your business:

1. The Act is effective on or about April 2, 2020, and expires on December 31, 2020.
2. The Act applies to employers with fewer than 500 employees.
3. If the Act requires you to pay employees for leave, ***the government will reimburse you for all gross wages paid***. Timing of the government payments is not clear, but Simploy will manage and expedite the process so that you get your refund as soon as possible. At this time we expect reimbursements to be available soon after the end of each quarter, at the latest.
4. There are 2 types of paid leave required: 1) Paid Sick Leave, and 2) Paid Leave to Care for a Dependent.

Important

1) Paid Sick Leave

The Act requires you to provide up to 2 weeks of sick leave to any employee who:

- a) Is sick with the virus.
- b) Has symptoms and is waiting for a diagnosis.
- c) Is quarantined.

A full-time employee who qualifies for a), b), or c) above is paid at the employee's regular pay rate (max. of \$511 per day). A part-time employee is paid at a pro-rated amount.

The Act requires you to provide up to 2 weeks of sick leave to any employee who:

- d) Must care for an individual who has the virus or is under quarantine.

A full time employee who qualifies for d) above is paid at 2/3 regular pay rate (max. of \$200/day). A part-time employee is paid at a pro-rated amount.

2) Paid Leave to Care for a Dependent

In addition to Paid Sick Leave, the Act may require you to provide up to 12 weeks total of job-protected¹ leave for any employee who must care for a child whose school or daycare has been closed. Conditions:

- a. If the employee can work from home, no paid leave is necessary.
- b. This provision applies to workers who have been employed for 30 days or more.
- c. The first 2 weeks are paid under the Paid Sick Leave provision above; subsequent weeks are paid under this provision.

A full-time employee is paid at 2/3 of the employee's regular pay rate (max. \$200 per day). A part-time employee is paid at a pro-rated amount.

5. The Act includes language that allows the DOL to exempt businesses with less than 50 employees for reasons that are not currently defined; but the details are unclear, and we don't expect this provision to have much effect on your business.
6. At this time, no administrative rules have been created. The DOL will soon be issuing regulations, forms, certifications, etc. explaining how it intends to put the law into effect and what we must do to comply with the law. As a Simploy client, we will manage this process for you and keep you posted.

¹ "Job-protected" means that if you have over 25 employees, you should re-hire the employee after the paid leave.