



FAMILIES FIRST CORONAVIRUS RESPONSE ACT

Washington State Questions and Answers

*This is a developing situation with information shared from the Chapters to be used as a helpful reference for our Memberships, highlighting impacts that will affect us all. **This document will definitely change and be updated over time and we **HIGHLY** encourage you to verify all information provided with your Firm's Attorney and CPA.***

General Questions:

1. **What do I have to do on April 1st regarding the Families First Act?**
 - **Put up the required posting on your Jobsites:** https://e1f992a6-7721-4bed-95a2-c6f477872745.filesusr.com/ugd/cffa87_221055e807b74ccf93e8529d167c7d07.pdf
2. **Do I have to provide this paid leave to all of my Employees on April 1st, 2020?!?**
 - **THE MAJORITY OF YOUR EMPLOYEES WILL NOT QUALIFY FOR HR 6201.**
 - There are specific qualifiers to both programs that need to be met in order to get benefits.
 - Employees must request the program from you if they believe they qualify. They do not have to and may choose to utilize other forms of assistance. It is their choice.
3. **Is an Employee eligible for benefits under HR 6201 if they have been placed on Standby or Laid Off because their jobsite has been shut down due to the Washington State Stay Home, Stay Healthy Order?**
 - No. Local "Shelter in Place" type orders are not the same as a government quarantine and are not applicable under HR 6201. Additionally, if an Employee is put on Standby, they will not be eligible for HR 6201 moving forward.

FEDERAL PAID SICK LEAVE:

1. **Generally, how does this work?**
 - Max for Employees personally affected by Covid-19: Full wage Reimbursement up to \$511 per day or \$5,110 in total (63.87 hourly max)
 - Max for Employee's family members affected by Covid-19: \$200 per day or \$2,000 in total (25.00 hourly max)
2. **Does Federal Sick Leave include Fringe Benefits? Are those Benefits included in the Cap?**
 - Under current NEBF rules, Contractors are required to pay NEBF contributions in addition to Federal Sick Leave Wages.
 - **There is language that states if you are able to continue Health Care Coverage you can take credits in addition to the values listed above. Each jurisdiction will have a different process, reach out to your Chapter with questions.**
3. **Impacts on State Law?**
 - Order of operations: ***Is totally dependent on Employee Request.*** They select which program to use first or at all.
 - Both programs run independently. Example:
 - ✓ If Employees request and qualify for the federal program, they can use up to 80 hours as applicable.
 - ✓ If an Employee has 20 hours of accumulated sick time, under the Washington State Program, they may also request and use that as applicable.
 - ✓ Both programs could run their course for a total of 100 hours paid out under each program's independent rules.
 - Employees cannot use Federal and State Sick Leave at the same time.

4. Do all Employers have to pay this leave?

- Employers with over 500 Employees are exempt
- Employers with **LESS THAN 50** Employees may qualify for a hardship exemption with the Department of Labor: *This is still developing, and we are not sure how easy/difficult it will be to qualify for this exemption.*

FEDERAL PAID FAMILY MEDICAL LEAVE:

1. Generally, how does this work?

- ONLY QUALIFIER FOR FEDERAL PFML: Available to anyone after 30 days of employment for time to care for the employee's son or daughter, if the child's school/child care provider is unavailable due to COVID-19 and the employee is unable to work (or telework).
- First 10 days are unpaid leave (vacation/sick leave qualifies for the 10-day unpaid leave)
- If Employee qualifies, they get 2/3 of wages paid for up to 10 weeks of paid leave, not to exceed \$200 per day or \$10,000 total.

2. Does Federal Paid Family Medical Leave include Fringe Benefits? Are those Benefits included in the Cap?

- Under current NEBF rules, Contractors are required to pay NEBF contributions in addition to Federal Paid Family Medical Leave Wages.
- **There is language that states if you are able to continue Health Care Coverage you can take credits in addition to the values listed above. Each jurisdiction will have a different process, reach out to your Chapter with questions.**

3. Impacts on State Law?

- Order of operations: *Is totally dependent on Employee Request and each program is different with different qualifiers.*

4. Do all Employers have to pay this leave?

- Employers with over 500 Employees are exempt
- Employers with **LESS THAN 50** Employees may qualify for a hardship exemption with the Department of Labor: *This is still developing, and we are not sure how easy/difficult it will be to qualify for this exemption.*

TAX CREDITS:

1. Generally, how will this work?

- Eligible Employers can retain the federal employment taxes that they otherwise would have deposited, including federal income tax withheld from employees, the employees' share of social security and Medicare taxes, and the Eligible Employer's share of social security and Medicare taxes with respect to all employees.
- The Form 941 will provide instructions about how to reflect the reduced liabilities for the quarter related to the deposit schedule.
- Can ask for Immediate Reimbursement (treated as an overpayment) if Credits are more than Tax obligation. Example: Employer has \$5,000 in eligible payroll expenses and Employer's tax obligation is \$4,000 for the quarter. Employer would make a net \$0 contribution and request \$1,000 using the overpayment reimbursement process.