

# Founded 1889

# United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

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March 23, 2020

TO: ALL LOCAL UNION BUSINESS MANAGERS

Re: Families First Coronavirus Response Act

On March 18, 2020, President Trump signed the Families First Coronavirus Response Act ("Response Act"). The Response Act contains relief measures targeted to individuals and businesses in the wake of the coronavirus pandemic. This memorandum is intended to provide a short summary of some of the Response Act's key provisions that may impact your members.

#### 1. Emergency Paid Sick Time

The Response Act requires certain employers to provide employees with up to 80 hours of paid sick time. The new law applies to employers with fewer than 500 employees. Additionally, employers with fewer than 50 employees may obtain an exemption from the Department of Labor if compliance with the Response Act's paid sick time provisions will jeopardize the employer's business.

Employees of employers covered by the Response Act are able to use paid sick time if they are unable to work because they are:

- subject to a governmental quarantine order;
- advised by a health professional to self-quarantine;
- experiencing symptoms of COVID-19 and seeking a medical diagnosis;
- experiencing a substantially similar condition;
- caring for another person who is quarantined; or
- needing to stay home to care for a child whose schools or daycare facilities has closed.

Employees become eligible for paid sick time on day one of employment. Full-time employees are entitled to up to 80 hours of paid sick time. Part-time employees are entitled to paid sick time equal to the number of hours the employee works, on average, over a 2-week period.

Employees who cannot work because they are quarantined or who have symptoms of COVID-19 must be paid their regular rate of pay, up to \$511.00 per day (and up to \$5,110.00 total payment per employee). Employees who are unable to work because they are caring for another person or staying home with their children are entitled to paid sick time in amount of two-thirds their regular rate of pay, up to \$200.00 per day (and up to \$2,000.00 total). Employees may, but are not required, to use their emergency paid sick time before using other leave available to them. Tax credits are provided to qualifying employers to offset the costs of providing paid sick time.





## 2. Expansion of Family and Medical Leave

Under the Response Act, employees who have worked for their employer for at least 30 calendar days may be eligible to take "public health emergency leave" in order to care for children whose schools or daycare facilities have closed due to the current public health emergency. These provisions apply to the same size employers as the paid sick time provisions described above (e.g., employers with less than 500 employees; with a possible exemption for some employers with less than 50 employees).

Employees may take a total of 12 weeks of public health emergency leave. The first 10 days of public health emergency leave may be unpaid, but employees may elect to substitute accrued vacation, personal, or sick leave for this unpaid leave. After the first 10 days, employees must be paid two-thirds their regular rate of pay, capped at \$200 per day and \$10,000 in the aggregate per employee.

Employees may not be terminated from their jobs for taking public health emergency leave; however, these job protections do not apply to employers with fewer than 25 employees. Tax credits are provided to qualifying employers to offset the costs of providing public health emergency leave.

## 3. Expanded Unemployment Insurance

The Response Act increases federal funding for state-administered unemployment insurance programs. In practice, these measures should encourage states to ease eligibility requirements for workers to obtain unemployment benefits. We urge you to review your state's unemployment program and to regularly check for updates to your state's unemployment laws, as we believe many states will implement changes to their unemployment insurance programs over the coming weeks.

#### 4. Health Plans

The Response Act requires group health plans and health insurance companies to provide coverage for various items and services related to coronavirus testing and diagnosis without any cost-sharing to health plan participants, including deductibles, copayments, and coinsurance, and without requiring prior authorization or other medical management requirements. In other words, group health plan participants will be able to receive testing and diagnosis for COVID-19 at no out-of-pocket cost.

The Federal government is expected to issue additional laws designed to provide relief to workers and businesses in the wake of the current health crisis. We will continue to keep you apprised of future developments and how they impact your members.

Fraternally,

Mark McManus General President

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