

New COVID-19 Pay

April 2021

Families First Coronavirus Response Act (FFCRA) Extended – FEDERAL (all states)

Extended to 09/30/2021; voluntary (but recommended)

High-Level Summary of FFCRA:

FFCRA was previously required in 2020 for employers of <500 employees. It expired on 12/31/20 but was extended on a voluntary basis to 03/31/21 with the CARES Act, and has again been extended to 09/30/21 with the Biden American Rescue Plan (ARP). In addition, the list of qualifying reasons is expanded to include **vaccine-related reasons**. Employers are eligible to receive reimbursement for qualifying FFCRA reasons in the form of payroll tax credits.

Qualifying FFCRA Reasons:

1. The employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19.
2. The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis; seeking/awaiting results of a test for, or diagnosis of, COVID-19 and such employee has been exposed to COVID-19 or the employer has requested such test/diagnosis; or obtaining vaccination or recovering from vaccination side effects.
4. The employee is caring for an individual who is subject to an order as described in (1) or has been advised as described in (2).
5. The employee is caring for a child because the child's school/place of care is closed or child care or provider is unavailable due to COVID-19

New time bank

The APR states employees are entitled to a new bank of time beginning 4/1/21. Employees who previously used FFCRA hours prior to 4/1/21, may use them again.

California Supplemental Paid Sick Leave (SPSL) Expanded – CALIFORNIA

Effective 3/29 and retroactive to 1/1/2021

High-Level Summary of SPSL:

SPSL was previously only required for employers with 500+ employees. **Now, it applies to employers with 25+ employees.** SPSL provides supplemental paid sick leave for COVID-related reasons to California employees of up to 80 hours for full-time or pro-rated amount for part-time. Different than FFCRA, SPSL is currently **required**, and there is **no** tax credit with SPSL. However, employers may be able to offset with FFCRA in certain circumstances (see page 2).

Qualifying SPSL Reasons (very similar to FFCRA!):

1. Employee subject to a quarantine or isolation period related to COVID-19 as defined by an order/guideline of the State Department of Public Health, the CDC, or a local health officer.
2. Employee has been advised by a health care provider to self-quarantine.
3. Employee is attending an appointment to receive a vaccine.
4. Employee is experiencing symptoms related to a COVID-19 vaccine that prevent the employee from being able to work or telework.
5. Employee is experiencing symptoms of COVID-19 and seeking a diagnosis.
6. Employee is caring for a family member, subject to (1) or (2).
7. Employee is caring for a child whose school/place of care is closed or otherwise unavailable for reasons related to COVID-19.

Reporting Requirements

Employers who are subject to SPSL are required to share a SPSL Poster ([LINK](#)) provided by the state. This should be posted in the workplace along with other employment posters and sent (e.g., email) to employees working remotely.

In addition, employers must include SPSL available balances on employee pay stubs.

FFCRA & SPSL Interaction / Offset

Employers may be able to offset the up to 80-hour SPSL requirement and therefore reduce the number of paid hours provided in certain circumstances. This applies if employees received pay (including FFCRA pay) for a COVID-19 related absence after 1/1/2021.

The requirements to be eligible for the offset are:

- Employee took time off after January 1, 2021 **AND**
- Took time off for any of the SPSL qualifying reasons **AND**
- Employee was paid at 100%

All points listed above must be true in order to be eligible for the SPSL offset.

Key Points:

- Cannot offset with use of California (non-COVID) Paid Sick Leave
- Offset only applies if employee was paid 100% of their pay during their prior leaves (FFCRA reasons 4-5 only pay at 2/3 regular rate). Therefore, offset only applies if prior leave was taken for FFCRA reasons 1-3, which pay at 100% or if the company voluntarily paid the employee for their absence.

Immediate Action Items for Employers

1. Decide whether to continue offering FFCRA through 9/30/2021
2. Post new [SPSL Poster](#) along with other employment related posters – send via email to employees working remotely (we recommend you receive receipt acknowledgments)
3. Audit prior COVID-related leaves to determine if offset eligibility criteria met. Track of SPSL balances for all employees
4. Determine number of eligible pro-rated SPSL hours for each part-time employee based on regular schedule
5. Work with your payroll provider to include an extra line item for available SPSL hours. This must be a separate line item from regular CA Paid Sick Leave, which must appear on paycheck stubs
6. Contact [EBHR](#) if you have any questions!



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