



**March 23, 2020**

## **CORONAVIRUS UPDATE**

### **Department of Labor Previews Guidance on New Emergency Paid Leave Law**

#### **What Employers Need to Know**

The Department of Labor (“DOL”), in partnership with the IRS and the Treasury Department, issued a press release on March 20, 2020, regarding implementation of the Families First Coronavirus Response Act (the “Act”), which President Trump signed into law last week. DOL should issue more detailed guidance regarding the paid leave requirements of the Act this week. However, the press release provides a preview of what we can likely expect from that guidance. The press release contains the following highlights:

- Details on refundable payroll tax credits that will fully and promptly reimburse employers for the cost of providing the COVID-19-related paid sick leave and child care leave mandated by the Act;
- DOL will issue emergency guidance with “simple and clear criteria” regarding how small businesses (with fewer than 50 employees) can apply for an exemption from the Act’s leave requirements relating to child care due to school/daycare closures; and
- A 30-day non-enforcement policy regarding violations of the Act so long as employees are acting reasonably and in good faith.

A copy of the press release is available here:

<https://www.dol.gov/newsroom/releases/osec/osec20200320>.

Congress continues to debate further legislation to address the COVID-19 pandemic, and the Senate aims to take a vote on a multi-trillion dollar bill sometime today. It is unclear at this point what employment law-related measures might be coming down the pike. However, it is possible that the Act could be changed. For example, a draft of legislation released by Senate Republicans on Friday proposed a couple of amendments to the Act. We will continue to monitor legislation throughout the pandemic, and we will provide updates as needed. In the meantime, the employment law team at Estes Thorne & Carr PLLC is here to help you handle any business challenges thrown your way as this pandemic continues.

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