

Do I Still Get Paid? California Employers Facing Tough Questions After Shutdowns Due to COVID-19

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Employers across California face difficult questions from concerned employees as federal, state, and local governments have begun increasing their efforts to prevent the spread of COVID-19. Emergency orders — such as Los Angeles Mayor Eric Garcetti's March 15, 2020, emergency order that ordered bars, restaurants (for dining in), movie theaters, and gyms closed — have left employers and their employees scrambling for answers as to how to keep employees healthy and financially secure in this difficult time.

To combat the impact of COVID-19 on employment, California Gov. Gavin Newsom issued an executive order. The order:

- Waived the one-week waiting period to collect disability insurance benefits and unemployment insurance benefits, meaning that affected employees can collect benefits for the first week any employee is out of work (and beyond).
- Provided that employees who are sick, or caring for a family member who is sick, may file a
 disability insurance claim or a paid family leave claim through California's Employment
 Development Department (EDD).
- Encouraged employees who are quarantined but not sick, or who face reduced work hours, to file an unemployment insurance claim through the EDD.

The EDD has provided some guidance on these claims on its website, and you may want to circulate these links to your employees.

Additional relief may also come from the federal government. On March 14, 2020, the U.S. House of Representatives passed H.R. 6201, known as the "Families First Coronavirus Response Act." As currently constructed, the bill would:

- Require employers with fewer than 500 employees to provide full-time sick leave (up to 80 hours) for full-time employees who are quarantined, or caring for a family member who has been quarantined, or to obtain a medical diagnosis if the employee is experiencing symptoms.
- Prove that part-time employees are entitled to pay for the typical number of hours they work in a typical two-week period.
- Expand the Family Medical Leave Act to provide 12 weeks of paid leave for an employee who is quarantined and unable to perform his or her job functions, to care for a family member who is quarantined, or to care for a child if that child's school or child care provider is closed.
- Provide up to \$1 billion in emergency grants to states for processing unemployment insurance benefits.
- Provide refundable tax credits to employers for payment of qualified paid sick leave wages and qualified family leave wages.

This law has not yet been passed by the U.S. Senate, and may be amended. The U.S. Senate intends to vote on the bill later this week. If passed and signed by President Trump, the bill could go into effect in early April.

Should you need assistance navigating the changing landscape brought by COVID-19, please contact Scott Menger.

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