



To: Members of the West Virginia Chamber of Commerce
From: Steve Roberts
Date: March 19, 2020
RE: Summary: Families First Coronavirus Response Act and how it will affect West Virginia businesses

Yesterday the U.S. Senate passed the Families First Coronavirus Response Act by a vote of 90-8. The bill passed the U.S. House of Representatives earlier this week and both of West Virginia's senators, Shelley Moore Capito and Joe Manchin, voted to pass the bill. President Trump has already signed it into law. Below is a summary of what is included that will primarily affect members of the West Virginia Chamber of Commerce. Our friends at the U.S. Chamber of Commerce have compiled a more complete outline of what is contained in this bill, and that can be [viewed here](#).

We also encourage you to view the West Virginia Chamber's [webpage](#) on COVID-19, which contains multiple resources for businesses and individuals. That page can be [viewed here](#).

Unemployment Compensation

-Provides an additional \$1 billion for state unemployment insurance programs. It also removes the 1-week waiting period before an individual can apply for unemployment and it authorizes states that experience a spike in unemployment to provide benefits beyond the usual 26 weeks. This extension is fully funded by the federal government.

Paid Sick Leave

-The bill requires private sector employers with fewer than 500 employees and government employers to provide two-weeks of paid sick leave for eligible employees. Eligible employees include those who are unable to work or telework because:

- Subject to a COVID-19 quarantine or isolation order
- Have been advised to self-quarantine
- Experience symptoms of COVID-19 and seeking diagnosis
- Caring for an individual subject to ordered or self-quarantine
- Caring for children if schools are closed or their caregiver is unavailable
- Experiencing substantially similar conditions as specified by the Secretary of Health and Human Services

To fund this mandate, private sector employers subject to this requirement are entitled to a fully refundable tax credit equal to 100% of the qualified sick leave wages paid by the employer. The tax credit is applied against employer Social Security taxes, but employers are reimbursed if their costs for qualified sick leave exceed the taxes they would owe.

Paid Family and Medical Leave

-Requires private sector employers with fewer than 500 employees and government employers to provide employees with 12 weeks of paid family and medical leave. Eligible employees include any employees who have been employed at least 30 days if they are out in order to:

- Care for children if schools are closed or their daycare is unavailable because of a public health emergency and they are unable to work or telework.

To fund this mandate, private sector employers subject to this requirement are entitled to a fully refundable tax credit equal to 100% of the qualified paid FMLA wages paid by the employer. The tax credit is applied against employer Social Security taxes, but employers are reimbursed if their costs for qualified paid FMLA exceed the taxes they would owe.

Provisions for Diagnostic testing

Health plans are required to provide coverage for diagnostic testing at no cost to the consumer. The bill also provides approximately \$1.2 billion to reimburse the cost of testing for individuals without health insurance and to help with testing for the Department of Defense Health program, Indian Health Service, and Veteran Medical Services

Medical Devices Liability

The bill provides limited liability protection for manufacturers who are making personal respiratory protective devices.

Issues with Cash Flow for Small Businesses

As the bill is written, small businesses affected by these provisions would see reimbursement with quarterly tax payments. The bill provides regulatory flexibility to waive penalties for businesses not submitting their payroll taxes if they do so in anticipation of a refund under this bill.

The Families First Coronavirus Response Act is the 2nd Congressional funding action related to this pandemic. The first was in regards to increasing funding for critical testing. Congress is currently working on a 3rd and larger package that is hoped to contain meaningful financial assistance for businesses facing severe revenue problems because of Coronavirus.

To read a more complete summary of this legislation that has been compiled by the U.S. Chamber of Commerce, please [click here](#). Thank you for your commitment to West Virginia.