



March Updates From GHM HR

Please note, the COVID-19 situation is changing daily, if not hourly. Information written here is current as of the writing of this newsletter, but is subject to change.

Two important pieces of legislation, both on the State and Federal level, have recently passed to provide aid to employers and employees, both in Maine and across the country.

Maine Legislation

On March 17, Governor Mills signed emergency legislation that increases flexibility for employees to file for unemployment due to COVID-19. Employees whose employment is impacted as the result of COVID-19 are now able to apply for unemployment compensation, without affecting an employer's experience rating. Impacted employees are encouraged to file online at <https://reemployme.maine.gov/>, though they may also call 1-800-593-7660.

Additional resources for Maine businesses impacted by COVID-19:

- [Maine Unemployment Compensation](#)
- [Maine Department of Labor](#)
- [A message from Governor Mills](#)
- [Maine CDC](#)
- [US CDC](#)

Federal Legislation

On March 18, President Trump signed the Families First Coronavirus Response First Act, which seeks to aid small businesses during this global pandemic. Under this act employers must provide paid family leave and paid sick leave to those affected by COVID-19, both of which take effect on April 2, 2020 and will expire on December 31, 2020.

Paid Family Leave

The Act expands FMLA to provide "Special Public Health Emergency Leave." Therefore, employers with fewer than 500 employees must provide 12 weeks of paid family leave for employees who are unable to work, or telework, because his/her child's school or care facility has been closed or is unavailable due to COVID-19. The child must be under the age of 18.

Important areas to note:

- The first 10 days of leave are unpaid, unless the employee chooses to use accrued sick leave or PTO.
- After the first 10 days, an employee will be paid at two-thirds of his/her regular rate of pay for the average amount of time he/she is scheduled to work, not to exceed \$200 per day (\$10,000 total).
- This leave covers employees who have been working at the company for the last 30 calendar days.
- Employers with fewer than 50 employees may possibly be exempt if paid family leave would “jeopardize the viability of the business.” The Secretary of Labor is authorized to make that exemption.

Paid Sick Leave

Employers with fewer than 500 employees must provide 80 hours of paid sick leave to full-time employees who:

1. Are quarantined or in isolation due to COVID-19;
2. Are advised to self-quarantine by a health care professional due to concerns about COVID-19;
3. Are experiencing symptoms of COVID-19 and are awaiting medical diagnosis;
4. Are caring for an individual who is either quarantined or isolated due to COVID-19;
5. Are caring for a child whose school or care facility has closed or is unavailable due to COVID-19.
6. Are experiencing any other substantially similar conditions specified by the Secretary of Health and Human Services.

Part-time employees must earn the number of hours of sick time equivalent to the number of hours they would typically work in a two-week period.

Additionally,

- Sick leave will be paid at the employee’s regular rate of pay, not to exceed \$511 per day, or \$5,110 total, for reasons 1-3. For reasons 4-6, rate of pay will be as explained in Paid Family Leave above.
- Paid sick leave will be available to all employees immediately, regardless of their length of employment at the company.
- Similar to Paid Family Leave, the Secretary of Labor has the authority to exempt businesses with fewer than 50 employees.

- Employers are not required to pay terminated employees for any unused paid sick leave as it pertains to the Act.

There may be exceptions to the Act for organizations with collective bargaining agreements.

Employer Cost

Employers who provide paid leave, as it pertains to the Act, would receive tax credits and benefits.

We strongly urge you to contact your attorney, CPA, and/or other legal and financial advisors for information and details on how this new legislation applies to your specific situation.