Overview of Families First Coronavirus Response Act

The House of Representatives passed HR 6201, Families First Coronavirus Response Act, on March 14, 2020, legislation that is supported by President Trump. Senate Majority Leader Mitch McConnell canceled a scheduled recess, and the Senate is expected to vote on the bill this week.

SOCMA’s analysis of the legislation is based on the most up to date information available, but this is not the final iteration of the bill, which is subject to change between now and enactment (after the Senate vote, after the President signs the bill, and when federal agencies are enforcing various provisions).

The President lobbied to grant a payroll tax credit that would increase paychecks by 7.65%, but both House leadership and the Senate deemed the provision too broad because it was not directed specifically at those impacted by COVID-19. The provision included:

- Free testing for everyone (including uninsured)
- Paid emergency leave
  - Employers with 500 or fewer employees are required to provide 14 days of paid sick leave at regular rate. Employees qualify for the benefit if:
    - They have or are under quarantined for COVID-19
    - They must take care of COVID-19 infected family members
    - They have to stay home with a child due to school or childcare facilities closing because of COVID-19
  - Employers are also required to provide “job protected” medical leave for up to 12 weeks with two-thirds pay.
  - The cost for the paid sick leave is not being shouldered by small businesses. It will be reimbursed by the Secretary of the Treasury.
- Federal Emergency Paid Leave Benefits
  - Eligible workers will receive pay at two-thirds monthly salary
  - May receive the benefits one month at a time for a maximum of three months
  - May only be taken after the worker is out for the initial 14 days
- Enhanced unemployment insurance
  - Provides $1 billion for emergency grants to states to assist with processing and paying unemployment insurance.
    - Half of those funds would be used to provide immediate additional funding to all states for staffing, technology and other administrative costs
    - The other half would be used for emergency grants to states that experienced at least a 10-percent increase in unemployment
• More food aid
  o $500 million to the women, infants and children nutrition program
  o Eliminates work requirements on the food stamp program
  o $100 million in food grants to U.S. territories such as Puerto Rico and the Northern Mariana Islands