



Two Items Employers Need to Know Now:

- (1) Paid sick leave and expanded FMLA leave requirements for COVID-19 related reasons ended 12/31/20, and**
- (2) Paycheck Protection Program loan updates, plus a new PPP loan is available for small/medium employers**

(1) Required Paid Leave Under the FFCRA Ended On 12/31/20

- Paid leave, including emergency paid sick leave (up to 80 hours) and expanded family and medical leave (up to 12 weeks), under the Families First Coronavirus Response Act (FFCRA) was originally set to expire by its terms on December 31, 2020.
- Congress did not extend employees' entitlement to FFCRA leave beyond December 31, 2020 in the new stimulus package.
- Congress did extend the employer tax credits for paid sick leave and expanded family and medical leave voluntarily provided to employees between January 1 and March 31, 2021 in The Consolidated Appropriations Act, 2021.
- Employers are therefore not required to provide employees with paid leave under the FFCRA for COVID-19 related reasons after December 31, 2020, but may voluntarily decide to provide such leave.

(2) Paycheck Protection Program (PPP) Loan Updates, Plus a New PPP Loan Is Available

- Forgiveness has been underway for first round of PPP loans – your lender has 60 days to process your forgiveness application and then the SBA has 90 days to process.
- Lenders are acting upon the SBA's stated intention to require all PPP borrowers with loans \$2 million or more to fill out questionnaires which, among other things, look into how the borrower actually fared after receiving the loan.
- The new law clarifies that deductions are allowable for expenses paid with forgiven PPP funds.
- Basic eligibility requirements for the new second draw PPP loans:
 - Must employ less than 300 employees
 - Must have already used (or intend to use) the full amount of money granted in their first round of PPP funding
 - Must demonstrate at least a 25% reduction in gross receipts during the first, second, third or fourth quarter of 2020 relative to the same quarter of 2019
 - Maximum loan amount of \$2 million
 - May only receive one PPP second draw loan

If you have questions about paid leave or any other FFCRA-related issue, please reach out to Amy Mitchell (acm@amfd Dayton.com). If you have any questions regarding PPP issues, please reach out to Donald Rineer (dbr@amfd Dayton.com).