



COVID-19 Has Hit Our Business - Now What?

Businesses owners and employees around our region are worried. With unprecedented shutdowns of an unknown duration, businesses and their employees have similar questions: Will we be safe? How can we take care of our workers? How can we pay our rent or mortgage? How will we be able to pick up the pieces when American ingenuity and intelligence defeats COVID-19, and we can reopen our business?

Rest assured, the team at Theisen Brock LPA will be available to continue to answer questions from businesses in our community and to assist our neighbors and clients through this uncertain period. The attorneys and staff at Theisen Brock LPA have been monitoring recent legislation and economic stimulus plans to help employers and workers weather the storm and position them for growth when the crisis is resolved.

As a service to our clients and the community, Theisen Brock LPA will be sending periodic updates about changes in the law, and how these changes affect businesses and employees in the area.

The first major legislative action took place on Wednesday, March 18, when President Trump signed into law the Families First Coronavirus Response Act (the “FFCRA”). This is the first of what will be many responses to the COVID-19 crisis. Its primary focus is to provide workers with leave, some of it paid, to take care of themselves and family members, and to provide limited payments to certain employers to reimburse them for paid sick leave.

The FFCRA contains two main provisions that address employee leave – the Emergency Family and Medical Leave Expansion Act (“EFMLEA”) and the Emergency Paid Sick Leave Act (“EPSLA”).

The EPSLA gives employees of companies with fewer than 500 employees a new form of paid sick leave. Employers cannot change their current leave policies to reduce the amount of leave time that has already been promised. An employee is entitled to emergency paid sick leave if he or she is unable to work or telework because the employee:

- is subject to a federal, state, or local quarantine or isolation order;
- has been advised by a health care provider to self-quarantine;
- is experiencing symptoms of Coronavirus and is seeking a medical diagnosis;
- is caring for a person subject to a federal, state, or local quarantine or isolation order or who has been advised by a health care provider to self-quarantine;
- is caring for a son or daughter of the employee whose school or day care is closed; or
- is experiencing any other substantially similar condition.

A full-time employee is entitled to 80 hours of paid sick leave, and part-time employees are entitled to a number of hours equal to the number of hours that such employee works, on average, over a 2-week period. The amount the employee is paid is based off of their pay and the reason the employee must take leave.

In order to help employers pay for the costs related to the Emergency Paid Sick Leave and the additional paid leave, Congress has provided employers with tax credits. The Act permits employers to receive a refundable tax credit equal to 100% of qualified paid sick leave wages paid by the employer for each calendar quarter.

The FFCRA also makes several changes to family leave laws through the EFMLEA. These new provisions allow an employee to take paid leave of up to 12 weeks if he or she is unable to work or telework due to the need to care for a son or daughter under the age of 18 or when the child’s school or day care is closed due to the Coronavirus. The Act also provides a separate refundable tax credit to help employers pay for this change in family leave laws. Not all employees are eligible for this type of paid leave. If you have any questions about if an employee is eligible, then please contact the team at Theisen Brock LPA for guidance and advice.

Additional programs are being developed on a federal and state level to help employers and employees respond to the COVID-19 crisis. The SBA has been aggressively promoting low interest loan programs for businesses to provide liquidity through the crisis. More information can be found at the following link: https://disasterloan.sba.gov/ela/Documents/Three_Step_Process_SBA_Disaster_Loans.pdf

More federal stimulus is very likely. The stimulus may include bailouts to specific industries, direct payments to individuals, and loan and loan guarantees for business. The team at Theisen Brock LPA will be closely monitoring further developments from federal, state, and local resources and will be ready to provide advice and guidance to our clients and community.

Theisen Brock LPA is full-service law firm based in Marietta and has been serving our region for over 70 years. Our team of 12 attorneys and 16 staff members are always available to serve our clients, especially in this time of uncertainty. Theisen Brock LPA has two certified specialists in Probate and Estate Planning (Jerry Brock and Craig Wakefield) and a certified specialist in labor and employment law (Colleen Cook). Other practice areas include real estate, civil litigation, bankruptcy, oil and gas, corporate law, and mergers and acquisitions.

If you would like to speak with a Theisen Brock LPA attorney, please contact the firm at 740-373-5455. We are licensed in Ohio and West Virginia.