

GILL RAGON OWEN

ATTORNEYS

425 W. Capitol Ave, Suite 3800, Little Rock, AR 72201

www.gill-law.com • (501) 376-3800

UPDATE ON COVID-19 RELIEF LEGISLATION

On December 27, 2020, President Trump signed a second stimulus bill into law. This legislation extended unemployment benefits and Pandemic Unemployment Assistance until March 14, 2021. The legislation also set aside money for additional loans to small businesses under the Paycheck Protection Program. There were, however, changes to this program: the updated PPP is only available to borrowers with less than 300 employees that had at least a 25% drop in sales from a year earlier in at least one quarter. There were also specific funds set aside for minority owned businesses.

The stimulus bill extended the tax credits for paid coronavirus leave, but the FFCRA paid leave was not extended. The FFCRA expires by its own terms on December 31, 2020, but this new legislation extends the payroll tax credit for paid sick leave and paid family leave through and until March 31, 2021. Because the stimulus bill is silent with respect to extending the FFCRA leave framework itself, employers will not be required to provide employees with paid sick or family leave after December 31, 2020. However, if employers choose to allow employees to take leave for a COVID-19 related reason under the FFCRA framework between January 1 and March 31, 2021, they may still claim the payroll tax credit. Even though employers are not required to provide leave under the FFCRA under this new legislation, employees may be eligible for regular FMLA leave.

For more information on this legislation, please review our Covid-19 Resources page here: <https://www.gill-law.com/covid-19-resources/#>