



# Coronavirus – Update for Employers

## Publication:

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The legal and business climates are rapidly changing as COVID-19 continues to impact society. We recognize that employers have many difficult decisions to make regarding their response to COVID-19 and the continuity of their business during this time. As local, state, and federal governments continue to issue updated guidance regarding social distancing policies, employers will face increased challenges. In recent days, several proposals have been made to ease the pain of these restrictions, and existing laws provide some protections to employees.

## Existing Tools to Mitigate the Impact of COVID-19

- **New Jersey's Earned Sick Leave Law**- New Jersey employees may use earned sick leave to care for themselves or others who are sick or if they are advised to self-quarantine. Earned Sick Leave may also be used by an employee if their workplace or child's school or daycare is closed due to an epidemic or quarantine. Employees who are advised not to go to work by a healthcare provider because they are at greater risk may use Earned Sick Leave.
- **NJ Family Leave**- Employees who need to care for a family member who has COVID-19 or symptoms of COVID-19 may apply for Family Leave Insurance and may be eligible for job-protected leave under the NJ Family Leave Act. Employees may also be eligible for job protected leave under the Family and Medical Leave Act to care for themselves or seriously ill family members.
- **Temporary Disability**- An employee who has COVID-19 or symptoms of COVID-19 may be eligible for temporary disability benefits. An employee who has a pre-existing healthcare condition who is advised by their healthcare provider that they should not attend work may be eligible for temporary disability.
- **Workers' Compensation**- An employee who contracts the virus through work contacts may be eligible for workers' compensation.
- **Unemployment**- Employees laid off due to COVID-19 related closures are eligible for unemployment.

COVID-19 related claims will initially be considered a temporary layoff, which suspends the workers obligation to be actively seeking work. Partial unemployment benefits may be available to employees whose hours are reduced as a result of COVID-19 related work slowdowns.

### **Proposed New Jersey Legislation**

- **Assembly Bill 3846-** This bill would create a \$20 million unemployment insurance program to provide enhanced unemployment coverage for businesses and workers impacted by COVID-19.
- **Assembly Bill 3848-** This bill would bar employers from terminating workers who take off work to recover from a suspected case of coronavirus.
- Information regarding resources for businesses facing COVID-19 has been collected at: [cv.business.nj.gov](http://cv.business.nj.gov).

### **New and Proposed Federal Legislation**

- **Families First Coronavirus Response Act (H.R. 6201)-** Signed on March 18, 2020, the Act requires most private employers with fewer than 500 employees to provide two weeks of paid sick leave to workers impacted by COVID-19. The Act also provides 12 weeks of paid leave to people caring for children whose schools or day cares have closed. Sick leave pay is at the usual rate of pay, capped at \$511 per day. Family leave pay is at 2/3 the usual rate of pay, capped at \$200 per day. Businesses will be reimbursed the full amount of these benefits within three months in the form of a payroll tax credit, including covering the employer's contribution to health insurance premiums during the leave. The Act also eases access to unemployment benefits.
- Efforts are underway to modify the Families First Coronavirus Response Act both to cover additional workers and to mitigate the cost to business. It is anticipated that an additional coronavirus law will be passed in the near future including bail out payments to businesses and employees.

Riker Danzig is here to help if you need assistance of any kind. The Firm is operating and fully functional. Our attorneys continue to monitor the impact of COVID-19 on the business community. Please do not hesitate to contact [Scott Ohnegian](#), [Adam McInerney](#), [Fiona Cousland](#), or any member of Riker Danzig's [Labor & Employment Group](#) regarding any specific legal issue affecting your business.

Please visit Riker Danzig's [COVID-19 Resource Center](#) to stay up to date on all related legal issues.

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## Practice:

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