



EMERGENCY FAMILY AND MEDICAL LEAVE EXPANSION ACT (EFMLEA)

WHAT: Up to 12 Weeks of paid and unpaid leave for employees (as long as they continue to qualify) who are not able to work due to the need to care for their children because their school or daycare has closed, or their babysitter or other caretaker is not available due to a government ordered shutdown due to the coronavirus.

ELIGIBILITY: Employees must request leave and must have been employed for at least 30 days as of date of request.

DOES THIS APPLY TO ALL BUSINESSES: Any business with fewer than 500 employees. There is a limited exemption for businesses with fewer than 50 employees. See Note Below.

IS THE LEAVE PAID OR UNPAID: The first 10 days of leave are UNPAID. The remaining period of leave is PAID at 2/3 of regular wages, EXCEPT, no employee is entitled to receive more than \$200 per day and \$10,000 in total.

HOW DOES THIS WORK WITH EMERGENCY PAID SICK LEAVE ACT (EPSLA): Under this EFMLEA, the first 10 days of leave are unpaid. Employees are able to substitute EPSLA for that initial 10 day period if they qualify for EPSLA.

GUIDANCE FROM PERMANENT EQUITY

IF AN EMPLOYEE PROVIDES NOTICE OF OR ASKS FOR FAMILY MEDICAL LEAVE:

- **First Step:** Please first speak with the employee and see if there is an alternative arrangement that can be reached. The government has encouraged both employers and employees to be flexible. Also, see note below if you have less than 50 employees.
- **Elevate Request:** The request should immediately be elevated to the senior team within the organization. Notice should also be provided to your Permanent Equity portfolio partner (Susanne, Emily or Mark).
- **Documentation:** Employee should be asked to provide documentation in support of their leave request. This could include a notice that has been posted on a government, school, or day care website, or published in a newspaper, or an email from an employee or official of the school, place of care, or childcare provider. This may also include documentations specified in IRS guidance. Please contact your Permanent Equity portfolio partner (Susanne, Emily or Mark) to discuss. Employees should be required to continue to certify their need for leave on at least a weekly basis.
- **Record Keeping:** PLEASE RETAIN ALL RECORDS IN SUPPORT OF THE REQUEST AND PAYMENTS MADE DURING LEAVE. Tax credits are available for wage payments to employees on leave. Provide to Tim Hanson or Permanent Equity portfolio partner (Susanne, Emily or Mark).
- **Employee's Return:** Leave is JOB PROTECTED. Upon return, employees must be restored to the same or equivalent job. If this is not possible, please contact your Permanent Equity portfolio partner.

EXEMPTION FOR PE COMPANIES WITH LESS THAN 50 EMPLOYEES

- You may be exempt from this law, if complying with it would “jeopardize the viability of the business as a going concern”. PE Companies are encouraged to use this exemption in good faith and in consultation with Permanent Equity portfolio partner.
- IN ORDER TO TAKE ADVANTAGE OF THIS EXEMPTION:
 - **Member of Senior Management Must Document and Place in File of Employee That the Request Was Denied Because (CHOOSE THE MOST APPLICABLE REASON):**
 - (1) The absence of the employee requesting expanded family and medical leave would entail a substantial risk to the financial health or operational capabilities of the business because of their specialized skills, knowledge of the business, or responsibilities; OR
 - (2) There are not sufficient workers who are able, willing, and qualified, and who will be available at the time and place needed, to perform the labor or services provided by the employee requesting expanded family and medical leave, and these labor or services are needed for the small business to operate at a minimal capacity.