

LEGAL ALERT

President Trump Signs Federal Stimulus Package into Law: Extends FFCRA Tax Credits, but not Mandated Leave

On December 27, 2020, President Trump signed a \$900 billion federal stimulus package into law, which provides several changes to the Families First Coronavirus Response Act (FFCRA). While there is some debate as to whether Congress will amend the recently enacted law to provide larger direct payments to Americans, the amended FFCRA provisions appear settled. The stimulus package amended FFCRA provisions in the following ways:

- Private employer tax credits for employees taking leave are extended to include leave taken by March 31, 2021 (from December 31, 2020);
- Federal funding of extended unemployment compensation is extended to March 14, 2021 (from December 31, 2020);
- Emergency staffing flexibility extended to March 14, 2021 (from December 31, 2020); and
- For school nutrition assistance, the stimulus bill would for school year 2020-2021 permit state agencies to use simplifying assumptions and best feasibly attainable data to determine status of schools and child care facilities as opened, closed, or reduced operations, to establish state or regionally based benefit levels, to identify eligible children for assistance, and to establish eligibility periods for child assistance.

Mandated paid sick leave for up to 80 hours of pay under FFCRA is not amended by the stimulus bill and therefore will expire on December 31, 2020. However, as of January 1, 2021, covered employers (private employers only, government employers cannot receive the credit) may voluntarily provide emergency paid sick leave or emergency paid FMLA leave under FFCRA and take the associated tax credit for leave taken through March 31, 2021. The tax credit is equal to 100% of qualified sick leave wages (up to certain amounts) paid by the employer.

The full text of the most recent stimulus bill enacted into law can be found [here](#). The full text of the FFCRA enacted into law last spring can be found [here](#).

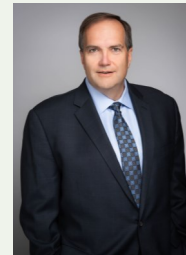
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