Private Club Consultants 1217 Michigan Court Alexandria, VA 22314 703.395.5463 Steele@privateclubconsultants.net



## 1.) Paid Family and Medical Leave Act

Any employee who has worked at the club for at least 30 calendar days may take up to 12 weeks of FMLA if he can't work (or telework) due to caring for a minor child whose school or daycare has been closed because of the outbreak. Unlike traditional FMLA, this will now be **paid** leave.

The first 10 days is unpaid, but the employee may use PTO or the new Paid Sick Leave. The remaining 10 weeks are paid at a rate of 2/3rds his regular rate for the hours he would normally work. This paid leave is capped at no more than \$200/day or \$10,000 in total.

## 2.) Paid Sick Leave

Any employee (regardless of his time at the club) may take up to 2 weeks of **paid** sick leave if he can't work (or telework) due to:

- A.) A fed., state, or local CoVid-19 quarantine order;
- B.) Being advised by a healthcare provide to self-quarantine; or
- C.) Experiencing symptoms and seeking a diagnosis

He may also receive it if he can't work (or telework) due to:

- D.) Caring for someone subject/advised to quarantine;
- E.) Caring for a son/daughter whose school or daycare is closed b/c of COVID-19; or
- F.) Experiencing "substantially similar conditions" as established by the Sec. of Health and Human Services.

If the employee takes paid sick leave for reasons A.), B.), or C.) and he is full-time, his pay is based on his regular rate for 80 hours of work. If he's part-time, his pay is based on his rate for the normal hours he works in a two-week period. If his hours are variable, his pay is based on his rate for the average number of hours he worked over the last 6 months before he took the leave. BUT, the pay is capped at \$511/day or \$5,110 total.

If the employee takes paid sick leave for reasons D.), E.) or F.), he will only be entitled to 2/3rds of his regular rate for the hours he would normally work (full-time, part-time or variable). But, the pay is capped at \$200/day or \$2,000 total.

## 3.) Additional Issues

Clubs must post a new "Informational Poster" from DOL on the Paid Sick Leave – to be issued w/in 7 days of enactment.

Clubs may not require an employee to take PTO before requesting the new paid sick leave.

Any violation of this new law will be prosecuted as a violation of the FLSA.

Both provisions will take effect on Thursday, April 2 and last until December 31.

## 4.) How To Pay For These New Benefits

Clubs will receive a tax credit from the club's payroll taxes equaling 100% of the payments made under these two new laws. So, clubs will be getting a pass on paying FICA for each employee up to the amount of paid FML and paid sick leave. You'll also get credit for health insurance contributions made by clubs for employees, too. The expectation is that these will be saved up front so you will not have to wait to get the money back in a refund.