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 MANAGEMENT ADVISOR

Over 50 Years of Excellence!



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SCHOOL'S OUT FOR SUMMER!!

Normally school being out for summer is a good thing, but when you're in April, and it's out because of a terrible virus, the feeling is not a positive one. Some parents may have been optimistic about their children returning to school before summer begins, but the reality is, it is not happening. Many schools had already extended their initial return by date, some counties in California determined students would not be returning this school year, and others were still weighing potential options.

That is, until Gavin Newsom announced on April, 1st, 2020 at a press conference that California schools would not resume in person this school year. He did say virtual classrooms would be in utilized, but the physical return was not happening before summer hit.

This is one of the biggest potential financial threats to small businesses, as students being home from school leads to parents needing to stay home from work, and employees would then be covered under the expansion of FMLA under the FFCRA. This means that employees who need to stay home with their child because of a school closure as a result of COVID-19 could be paid a portion of their income for up to twelve weeks.

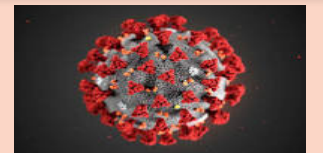
We now look to children returning to school in the fall. If students return to school in the fall, the potential financial burden would be decreased and there would be one less thing to worry about in the midst of all this chaos. That is assuming employees haven't already exhausted the twelve weeks they are entitled to by that point. [PE]

WHAT DOES CORONAVIRUS LOOK AND FEEL LIKE?

People who contract the novel Coronavirus have reported a wide variety of symptoms. These symptoms range from very mild to severe. According to the CDC individuals exposed to the virus may show symptoms between 2-14 days following exposure. We know you probably know what this virus could potentially look like, but we thought we would share the symptoms the CDC has reported as indicative of the virus:

- Dry Cough
- Fever
- Shortness of Breath or Difficulty Breathing
- Headache
- Fatigue
- Loss of smell and/or taste
- Muscle Pain
- Sore Throat
- Chills
- Repeated Shaking With Chills [PE]

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 Just send a note to
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 Tell us you want the News by E-Mail!



WHAT'S NEWS!

IT'S NOT SO HAPPY HOUR. I'D LIKE MY CORONA WITH LIME, PLEASE!

Two months ago, employers were just settling into the first quarter of 2020. The economy was great, businesses were doing well, and people were happily working together at their organizations. Fast forward eight weeks, and we find ourselves at the height of a pandemic. Nothing looks the same. Businesses are closing, people are sick, the economy is plummeting, and the number of unemployment claims has reached nearly twenty-two million in the last month. For the team at Pacific Employers, it is more crucial than ever to keep you informed, up to date, and remind you that we are still here for you. With that being said, here are a few things you should know about the current circumstances:

1. President Trump declared a National State of Emergency on January 31st.
 - Many counties have placed specific guidelines to comply with, including "shelter in place" orders for many. Review the standards placed in your area and continue to review them as they seem to be changing frequently.
2. The Families First Coronavirus Response Act went into effect April 1st, 2020.
 - Private employers with less than 500 employees and certain public sector employers are required to provide emergency paid sick leave and expanded family and medical leave when employees qualify.
3. "Flatten the Curve," it's the phrase that is being echoed across our nation.
 - Experts say resuming to business as usual will be gradual, and social distancing may become a way of life until there is greater knowledge about the virus and how to fight it.
 - As of April 18th, there were 728,293 confirmed cases of Coronavirus in the United States, with 29,590 of those being in California. [PE]

What Happens When Your Employee Tests Positive For Coronavirus?

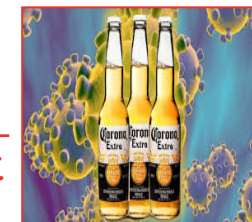
It's early May, and your business is doing seemingly well considering the circumstances of our nation. That is, until now. The office line rings and it's an employee. They are calling to tell you they have tested positive with the novel Coronavirus (COVID-19). Your mind goes in a million different places all at once. Is your employee okay? Will they be okay? What can you do to help? What about your other employees? How long has this employee been exposing other employees before realizing they are sick? It truly is a domino effect. One positive case leads to another, and another, which for smaller businesses can be particularly detrimental. In the forefront of your mind should be the health and welfare of your organization and the individuals within it. If and when you get that phone call, here are a few things you should do:

- Provide a notice to employees about potential exposure as a result of a recently positive case (Do not name the individual with the positive case as that information is confidential).
- Discuss safety measures your organization will be taking to prevent further spread.
- Send your employee who tested positive a leave request form for them to complete and return to you.
- Prepare to send home the individuals who were in close contact with the employee who tested positive in accordance with the CDC's public health recommendations for community-based exposure.
- Prepare for the employee's absence in terms of scheduling [PE]

New Families First Coronavirus Response Act Poster Enclosed!

CORONA TIME, OR DECLINE TIME?

Is a Name Really That Powerful?



What's in a name? It's true that businesses are suffering across the country, but there were rumors that Corona Beer (owned by Anheuser-Busch Inbev) was actually struggling from this pandemic before many others. Did their name really cause a decline in sales?

Well, fasten your seatbelts and get ready for some fake news. According to Forbes, Grupo Modelo halted both production and marketing of several of its beers including Corona. This was done not because beer sales had declined, but rather as a need to comply with Mexican officials' halt of production of businesses deemed non-essential. Here are a few fun facts about the beer:

- Constellation Brands (STZ) controls the import and distribution of Grupo Modelo's Beer in the U.S. They actually said beer sales were up by 8.9% in the first quarter of 2020 and Corona was one of the top sellers.
- The word "Corona" means crown in Spanish and the Coronavirus got its name from its crown-like spikes on their surface as the CDC describes. This is a commonality between the beer and virus.
- While the halt of production is scheduled to take place until at least April 30th, 2020 Grupo Modelo says it will be prepared to fill shelves and meet the demand for product as soon as they are able to do so.

One can hope that the crowned beer will be back to full swing sooner rather than later. Maybe during summer months, the beer will be spotted at birthday parties, retirement celebrations, on beaches, by bonfires, and the like. That is, if people are allowed to gather in groups again by that point. [PE]

Families First Coronavirus Response Act

On March 18th, 2020 President Trump signed the Families First Coronavirus Response Act (FFCRA) into law. This is a significant law that amends the Family and Medical Leave Act of 1993 in which entitles employees up to 12 weeks leave for a qualifying reason. The qualifying reasons for leave under the FFCRA are detailed in the law and summarized on the new FFCRA poster which we have included as an insert in your newsletter.

The FFCRA requires employers to provide paid leave through two separate provisions: (i) the Emergency Paid Sick Leave Act (EPSLA), which entitles employees to up to 80 hours of paid sick leave when they are unable to work for certain reasons related to COVID-19, and (ii) the Emergency Family and Medical Leave Expansion Act (Expanded FMLA), which entitles workers to certain paid family and medical leave.

Some of the notably different elements within this law include employees only having to work for an employer for 30 days as opposed to the FMLA's eligibility requirement of employees to have worked for 12 months and 1,250 hours in the 12 months prior to taking leave. Another difference is this law is it applies to employers with less than 500 employees, which means those employers who have less than 50 are subject to the same requirements.

A silver lining is that these requirements are not permanent. The expansion of FMLA will sunset on December 31st, 2020. Employees will not be able to take time off and be covered under the FFCRA after that point.

In addition, The FFCRA provides that employers subject to the EPSLA and the Expanded FMLA paid leave requirements are entitled to fully refundable tax credits to cover the cost of the leave required to be paid for these periods of time during which employees are unable to work or telework. There are some limitations and you will need to maintain proper documentation to receive the tax credit, but at least the financial burden does not fall entirely on the employer. [PE]

"Worry is like a rocking chair: It gives you something to do, but never gets you anywhere." -Erma Bombeck



HR Report ~Tiffany Harris~

Protecting Employees From COVID-19

Safety Should Always Come First

During the Coronavirus pandemic, it is essential to protect the health and welfare of your employees. This includes updating your Aerosol Transmissible Diseases (ATD) standard. Below are Cal/Osha's interim guidance on the Novel Coronavirus Disease (COVID-19)

Cal/OSHA Requirements

The Aerosol Transmissible Diseases (ATD) standard (California Code of Regulations, title 8, section 5199), contains requirements for protecting employees from diseases and pathogens transmitted by aerosols. COVID-19 is an airborne infectious disease covered by the ATD standard.

According to Cal/Osha the ATD Standard applies to:

1. Hospitals, skilled nursing facilities, clinics, medical offices, outpatient medical facilities, home health care, long-term health care facilities, hospices, medical outreach services, medical transport and emergency medical services
2. Certain laboratories, public health services and police services that are reasonably anticipated to expose employees to an aerosol transmissible disease.
3. Correctional facilities, homeless shelters, and drug treatment programs.
4. Any other locations when Cal/OSHA informs employers in writing that they must comply with the ATD Standard.

The ATD standard requires covered employers to protect employees from airborne infectious diseases such as COVID-19 through items such as effective:

- Written ATD exposure control plan and procedures
- Training
- Personal protective equipment
- Medical services including vaccination and infection determination and treatment
- Laboratory operation requirements

Employers Not Covered by the ATD Standard

Cal/OSHA recommends employers not covered by the ATD Standard follow recommendations from the Centers for Disease Control and Prevention (CDC), Interim Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease 2019 (COVID-19).

These guidelines include infection prevention measures which include:

- Actively encouraging sick employees to stay home
- Sending employees with acute respiratory illness symptoms home immediately

Providing information and training to employees on:

- Cough and sneeze etiquette
- Hand hygiene
- Avoiding close contact with sick persons
- Avoiding touching eyes, nose, and mouth with unwashed hands
- Avoiding sharing personal items with co-workers (i.e. dishes, cups, utensils, towels)
- Providing tissues, no-touch disposal trash cans and hand sanitizer for use by employees

- Performing routine environmental cleaning of shared workplace equipment and furniture (disinfection beyond routine cleaning is not recommended)
- Advising employees to check CDC's Traveler's Health Notices prior to travel

The CDC guidelines also contain recommendations for creating an infectious disease outbreak response plan to be followed in the event of an outbreak. These response plans include one or more of the following:

- Allowing flexible worksites, telecommuting and flexible work hours to increase physical distance among employees
- Using other methods of minimizing exposure between employees, and between employees and the public
- Postponing or canceling large work-related meetings or events. [PE]

To Pay or Not to Pay? That is the Question...

Many employers have been in a panic at the thought of an ill employee taking up to 12 weeks of paid leave. It is a bit reassuring to understand how to apply these leaves and when employees actually qualify. To clarify, a covered employee can take up to 80 hours for a full-time employee or a part-time employee's two week equivalent if they request it for qualifying reasons 1-3, and 2/3 rate for reasons 4 & 6 (see FFCRA poster provided as insert for details).

Qualifying reason # 5 is the only way an employee can receive an additional ten (10) weeks of expanded family and medical leave which is to care for your child whose school or place of care is closed, or child care provider is unavailable, due to COVID-19 related reasons. Hopefully knowing this helps ease your mind in regards to the potential financial burden your organization could see.

When Leave to Care for a Child Applies

If an employee requests leave to care for a child who is home due to a closure as a result of COVID-19 and the child is not a "son or daughter," the employee does not qualify for leave in that circumstance. The DOL makes it clear that under the FFCRA, a "son or daughter" is your own child, which includes your biological, adopted, or foster child, your stepchild, a legal ward, or a child for whom you are standing in loco parentis—someone with day-to-day responsibilities to care for or financially support a child. An employee cannot choose to watch their friend's child and then qualify for leave under the FFCRA.

This may help reduce the quantity of leave requests taking place to care for a child. With the vast majority of schools being closed, there's a greater chance an employee requests leave to care for their child than because of a COVID-19 related illness at this point. This is especially true in California, as Governor Gavin Newsom announced schools would not be returning this school year. Obviously, leave requests should be evaluated on a case-by-case basis. If you have questions as to whether your employee is eligible, call us and we will help walk you through it.

When Leave is Requested by an Employee

There will likely come a time when an employee requests leave under the FFCRA, and when they do, you should be prepared. Have your employee fill out a leave request form (if you need this form, call our office and we will send it to you). If the employee is taking leave to care for their child on account of a school closure, request documentation of proof (ie. email from the school, social media post from the school, newspaper article, etc.). Store this in the employee's file as you will need it when you request the payroll tax credit for the employee's leave. [PE]



Human Resources Question With Candice Weaver

The Month's Best Question FFCRA Small Business Exemption

Q: "I heard that small businesses are exempt from paying employees for leave under the FFCRA, is this true?"

A: The short answer is there is an exemption for small businesses with less than 50 employees, but there are specific criteria that MUST be met in order to be eligible for an exemption.

What Criteria Needs To Be Met For Smaller Employers To Be Exempt?

According to the Department of Labor, An employer, including a religious or nonprofit organization, with fewer than 50 employees (small business) is exempt from providing (a) paid sick leave due to school or place of care closures or child care provider unavailability for COVID-19 related reasons and (b) expanded family and medical leave due to school or place of care closures or child care provider unavailability for COVID-19 related reasons when doing so would jeopardize the viability of the small business as a going concern. A small business may claim this exemption if an authorized officer of the business has determined that:

1. The provision of paid sick leave or expanded family and medical leave would result in the small business's expenses and financial obligations exceeding available business revenues and cause the small business to cease operating at a minimal capacity;
2. The absence of the employee or employees requesting paid sick leave or expanded family and medical leave would entail a substantial risk to the financial health or operational capabilities of the small business because of their specialized skills, knowledge of the business, or responsibilities; or
3. 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 or employees requesting paid sick leave or expanded family and medical leave, and these labor or services are needed for the small business to operate at a minimal capacity.

If You Operate As Exempt, You Better Be Sure You Are

It is possible for employers with less than 50 employees to be exempt, but if you operate as exempt, it is imperative you have proper documentation and evidence to back it up. Imagine the mess you would be facing if you had been functioning as exempt under the FFCRA, only to later discover you did not meet the criteria to be exempt. That is one headache you do not want. The requirements listed above are clear, and you will likely know whether your organization actually qualifies as exempt. If you're on the fence about it, err on the side of caution. [PE]

LABOR SEMINARS AT THE DEPOT!

Pacific Employers sponsors a seminar series on employee labor relations topics for all employers at The Depot Restaurant, 207 E Oak Ave, Downtown Visalia.

RSVP to Pacific Employers at 559-733-4256. *These mid-morning seminars include refreshments and handouts.*

2020 Topic Schedule

♦ **Safety in the Workplace** - What do you need to know when an accident happens, and OSHA walks onto your property?

Thursday, May 21st, 2020, 10 - 11:30am

♦ **Family Leave** - Fed & CA Family Leave, California's Pregnancy Leave, Leave, Sick Leave, Workers' Comp, etc.; Making sense

of them.

Thursday,

June

18th,

2020, 10am -

11:30am

♦ **Status**

Wage & Hour and Exempt

- Overtime, wage considerations and

exemptions.

Thursday,

July 16th, 2020, 10 - 11:30am

No Seminars in August or December

♦ **Customer Service** - Keeping your customers happy and wanting to return in the future.

Thursday, September 17th, 2020, 10 - 11:30am

♦ **Labor Law Update** - Susan Hatmaker will provide us with the interpretation of recent law changes and how they impact employers

Thursday, October 15th, 2020, 10 - 11:30am

♦ **Discipline & Termination** - The steps to take before termination.

Managing a progressive correction, punishment and termination program.

Thursday, November 19th, 2020, 10am - 11:30am

18th,

2020, 10am -

11:30am

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Dinner for 2 at the Vintage Press!
That's right! When a business that you recommend joins Pacific Employers, we treat you to dinner for two at the Vintage Press.

SEXUAL HARASSMENT PREVENTION TRAINING

Pacific Employers normally hosts monthly sexual harassment prevention trainings at The Wyndham Hotel in Visalia, but because of the pandemic, we will be postponed the upcoming months until it is safe to resume larger gatherings.

Where: The Wyndham Hotel, Visalia

When: Postponed Until Further Notice

Questions? Contact Pacific Employers at: 559-733-4256