

FFCRA to Expire, but Its Benefits to Live On

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After a flurry of activity before Congress' Christmas break and a threatened presidential veto, the latest COVID-19 relief bill is now law and it has made some important adjustments to the Families First Coronavirus Relief Act.

The initial FFCRA has helped millions of people weather the pandemic and was set to expire on December 31. Technically, it still will expire, but the new bill approved Sunday has made some changes that mean the federal government will continue to give aid to companies and individuals impacted by the pandemic if they choose to take it.

Some of the biggest points of the adjustments:

- The FFCRA still expires on December 31, 2020.
- However, qualified employers under the FFCRA can still receive a tax credit if they *voluntarily* pay FFCRA benefits to qualified employees through March 31, 2021. If an employer voluntarily pays FFCRA benefits, the 2020 temporary regulations pertaining to the FFCRA will apply. Essentially, employers will have to voluntarily agree to comply with the FFCRA as if it was still in place.
- If an employer voluntarily agrees to pay FFCRA benefits on or after January 1, 2021, it can also stop paying those benefits before March 31, 2021. However, we recommend that the employer give advance notice to employees before ending the benefits.
- If an employer voluntarily agrees to pay FFCRA benefits on or after January 1, 2021, the qualified employees do not get more time or days as of January 1, 2021. If an employee used up the time and days in 2020, the new law does not give the employee additional time.

Employers need to decide if they want to voluntarily pay FFCRA benefits and receive the tax credit for the payments. If they decide to do so, then they need to notify their employees of the voluntary compliance and that the employees are not entitled to additional time or days under the new law.

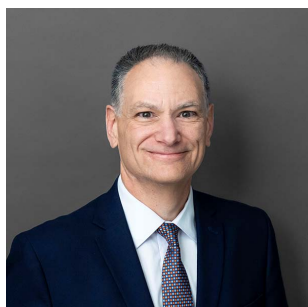
If you have questions about these new developments, please contact [Michael Crocenzi](#), [Joshua Schwartz](#) or any member of the [Barley Snyder Employment Practice Group](#).

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firm or the firm's clients. The approach to the COVID-19 pandemic is particularly challenging and is evolving and, in many cases, can be controversial. Any views expressed in this alert are not intended to advocate for or endorse a particular governmental response to the pandemic.

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