



California Public Employees' Retirement System  
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## Payroll

# Circular Letter

April 16, 2020

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Distribution: IV, V, VI, X, XII, XVI

**To:** All CalPERS Employers  
**Subject:** Reporting Paid Leave Under the Families First Coronavirus Response Act

The purpose of this Circular Letter is to provide preliminary guidance to employers regarding how to report paid leave to CalPERS under the Families First Coronavirus Response Act (FFCRA). This Circular Letter will address how to report emergency paid sick leave and emergency family and medical leave and is based on the federal guidance regarding the FFCRA that is available at this time. If further guidance is issued or information is made available that affects our initial determination on these matters, we will communicate any changes to you.

### Background

The FFCRA became Public Law No: 116-127 on March 18, 2020. This law provides emergency paid sick leave and/or emergency family and medical leave to eligible employees between April 1, 2020, and December 31, 2020. For information regarding administration and eligibility, please review [COVID-19 and the American Workplace](#) on the United States Department of Labor's website.

### Membership Reporting

All hours of sick leave and/or family and medical leave paid to an employee under the FFCRA should be reported to CalPERS. These hours are to be included when determining if a part time, seasonal, or intermittent employee reaches 1,000 hours of service within a fiscal year (Government (Gov.) Code section 20305(a)(3)(B)).

## **Post Retirement Employment Reporting**

Retired annuitants can receive paid sick leave and/or family and medical leave under the FFCRA. These payments will not be considered to be prohibited benefits under applicable working after retirement laws, and a retired annuitant who receives paid sick leave and/or family and medical leave under the FFCRA will not be subject to reinstatement solely for receiving those payments. However, all hours of sick leave and/or family and medical leave paid to a retired annuitant under the FFCRA should be reported to CalPERS. These hours will be included in the 960-hour per fiscal year limitation for all retired annuitants (Gov. Code section 7522.56(d)).

## **Compensation Reporting**

All paid hours of sick leave and family and medical leave covered by the FFCRA are considered to be compensation earnable or pensionable compensation and should be reported to CalPERS.

## **Payroll Reporting**

Paid sick leave covered by the FFCRA should be reported in the same manner as other sick leave. Paid family and medical leave covered by FFCRA should be reported at the member's regular full-time base pay rate with the appropriate corresponding earnings that were paid to the employee, not to exceed earnings for full time service. The full time pay rate reported to CalPERS for both items must comply with Gov. Code sections 20636 and 20636.1 of the Public Employees' Retirement Law and Gov. Code section 7522.34 of the Public Employees' Pension Reform Act of 2013 and should not include additional benefits or non-pensionable items.

CalPERS will continue to monitor the impact of COVID-19 on our stakeholders and will communicate additional information as it is made available. We are committed to serving and collaborating with our stakeholders during these challenging and uncertain times. Thank you for your partnership, commitment, and support.

## **Questions**

If you have any questions or concerns, contact the CalPERS Customer Contact Center at **888-CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief  
Employer Account Management Division