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House Democrats Scale Back Paid-Leave Program in Coronavirus-Aid Bill Measure would still provide two weeks of sick leave to a wide swath of workers, but restrict eligibility for further time off

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WASHINGTON—The Democratic-led House scaled back a paid-leave program that the chamber had tried to enact days earlier, following pressure from businesses worried about financial burdens from the sweeping bill in response to the coronavirus crisis.

In revised legislation that Democratic leaders billed as a technical correction, but represented a significant rewrite, the House modified a program aimed at providing paid leave to people affected by the coronavirus. The new measure would still provide two weeks of sick leave to a wide swath of workers affected by the pandemic, including those who are in quarantine, caring for family members with Covid-19, and those who have children whose schools or day-care centers have closed.

But for the next 10 weeks, paid leave would be limited only to workers caring for a child whose school or day care had been shut. Health-care providers and emergency responders, as well as workers who had been in quarantine or caring for a family member affected by the virus wouldn't be eligible for the additional 10 weeks of leave.

In the original version, all the workers who received paid sick time would be eligible for another 10 weeks of paid leave at two-thirds pay, in what would have represented a major expansion of the Family and Medical Leave Act, the 1993 law that provides 12 weeks of unpaid leave to workers at larger companies.

Democratic aides were alarmed by the changes, which were passed with no objections because House lawmakers are away from Washington. The changes weren't shown to most lawmakers before the vote.

The bill passed Saturday morning allowed businesses with fewer than 50 workers to win exemptions under rules to be developed by the Labor Department. Many businesses had expressed concerns about cash flow and had also worried that they might suffer additional disruptions during a crisis by losing workers on whom they relied.

The new measure also provides the labor secretary additional discretion to exclude emergency responders and health-care workers from the initial two weeks of emergency paid sick leave required under the bill. Health-care employers, such as nursing homes and assisted-living facilities, had warned lawmakers the original legislation could lead to a shortage of health-care workers just as coronavirus cases are surging in the U.S.

The mandate applies only to companies with fewer than 500 employees, and sets up a mechanism for the government to reimburse through a tax credit employers who pay workers' wages while they are absent.

But industry groups and GOP lawmakers have warned that firms may not have enough cash to keep up with payments as they grapple with virus-related disruptions, including falling revenue and worker shortages. Treasury Secretary Steven Mnuchin has said the government is prepared to advance the funds to businesses that can't cover the costs now.

To become law, the legislation must next pass the Senate, where some Republicans have raised concerns that the legislation places too much of a burden on small employers. Many Democratic senators have pushed Majority Leader Mitch McConnell (R., Ky.) to take up the legislation, citing the urgency of the pandemic.

The legislation also makes coronavirus testing free and increases access to food assistance to those who need it. President Trump also suggested Monday that the White House could seek changes to the legislation to expand paid sick-leave coverage. He later added that the Senate is working well with the House. "They are working to only enhance it and make it better and make it fair for everybody.... we may go back and forth with the House a little bit."

The president signed an \$8.3 billion bill earlier this month funding efforts to develop a vaccine for the virus as well as assisting local and state governments' response—the nation's first coronavirus-related legislation. It was followed by the bill that was amended on Monday. Nearly all lawmakers acknowledge that a third bill will be needed to combat the anticipated economic downturn and the impact on businesses that have been forced to close in major cities nationwide.