

House Democrats resurrect paid leave, but Manchin still an obstacle

By Eleanor Mueller

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House Speaker [Nancy Pelosi](#) and House Ways and Means Chair [Richard Neal](#) plan to amend House text of Democrats' [social spending package](#) to restore four weeks of paid family and medical leave — though the main obstacle to getting it through the Senate, Democrat [Joe Manchin](#), appeared to be unmoved.

The provision would cost around \$200 billion, a source familiar with the plans said Wednesday, in line with the \$225 billion President Joe Biden initially proposed. It would cover all workers wishing to take paid time off to deal with the birth of a newborn, care for a family member or deal with an illness or injury, among other things, beginning in 2024.

Manchin, when asked about the development, told reporters that adding the benefit to the Democrats' reconciliation bill is a “challenge” and he wants to do it on a bipartisan basis.

"I had no idea about this," Manchin told reporters Wednesday, referring to Pelosi and Neal's move. "I'm talking to [Sen.] [Susan Collins](#) and other Republicans who want to work with us" to pass paid leave using regular order.

The provision was dropped from a White House blueprint last week due to Manchin's opposition. Without his backing, the Senate will be unable to clear the bill using reconciliation, the Senate process that allows for the passage of spending-related legislation with a simple majority.

Neal (D-Mass.) said in a statement that "meaningful paid family and medical leave will be included as part of the Build Back Better Act. I will continue to do whatever is necessary to get this provision signed into law by President Biden and give the American people the basic support they deserve."

Pelosi tried earlier this week to add paid leave back into the package but was rebuffed, two sources familiar with the discussions said.

“It had been my intention throughout this process to put on the House Floor and pass a bill that would pass the Senate in the same form,” Pelosi wrote in a Dear Colleague letter on Wednesday. “Because I have been informed by a Senator of opposition to a few of the priorities contained in our bill and because we must have legislation agreed to by the House and the Senate in the final version of the Build Back Better Act that we will send to the President’s desk, we must strive to find common ground in the legislation.”

Adding paid leave to the House text in effect punts the ball to the Senate to carve it out again.

"This is a reflection of the fact that this policy is hugely popular, hugely needed, and unites people at a time when so much is divided," Vicki Shabo, who studies paid leave at New America, said. "Democrats need to pass Build Back Better with paid leave in it, and then people need to see the results. And that's the way that progress will be made."

There are a handful of key differences between the text the House initially approved and [that released Wednesday](#), a congressional source said, all made in the name of bringing the program's cost down as much as possible while still keeping it effective. Grants to small businesses that incur costs related to providing leave were stripped, as were grants for states with existing paid leave programs to cover IT costs.

Three days of bereavement leave also fell by the wayside.

The wage replacement rate is also slightly different. The average-income worker would still receive around two-thirds of their pay, but lower-income workers would receive a greater share of their pay and higher-income workers would receive a smaller share. The benefit would be capped at around \$800 a week.

Paid leave, which polls consistently well with voters, has been one of the highest-profile examples of intraparty wrangling between House and Senate Democrats. From the get-go, [lawmakers in each chamber have disagreed about the scope of the benefit](#): The House approved a \$494 billion program, while the Senate wanted to spend closer to \$300 billion.

At the White House's urging, the price tag was cut to \$100 billion as part of a broader effort to bring the overall price of the bill down. Biden campaigned on 12 weeks of paid family and medical leave for all workers indefinitely; \$100 billion would be enough to pay for four weeks of paid family and medical leave for lower-income workers, with the benefit expiring after three to four years, experts said.

Neal made paid leave his No. 1 priority in the reconciliation talks, fighting to keep it in the deal even as the White House repeatedly warned it would need to be dropped, a source familiar with the conversations said. But the slimmed-down version of the policy [got axed from the package last week](#), when Manchin made clear that he would not support the program.

The White House had told advocates repeatedly that paid leave wouldn't stand a chance at inclusion in Democrats' reconciliation bill if [they didn't lobby Manchin hard enough](#), more than half a dozen sources said. Groups subsequently spent big on ad campaigns, sending small business owners to talk to his staff, and even on occasion having face-to-face conversations with Manchin himself.

But the West Virginian continued to express concerns about paid leave's toll on small businesses and about potential fraud, sources said. This week, he told reporters that though he does support paid leave, he can't get behind it "in this bill the way it's presented."

"They really had to adjust the paid leave to fit into reconciliation," Manchin said.

It's a concern shared by the U.S. Chamber of Commerce, which has said that — though it supports paid leave — [it would prefer a program that supercedes state and local laws](#) so employers don't have to deal with a patchwork. Democrats' proposal does not do so.

Paid leave "needs to go through that type of exhaustive process, so that as many problems as possible are worked out and anticipated, and direction is given to whichever department or agencies to which it's delegated," Marc Freedman, vice president of employment policy for the U.S. Chamber of Commerce, said. "That's how these things are supposed to work."

"Creating a new entitlement, which this would be, through a reconciliation process that is only going to be supported by one party is the worst way to make new laws and policy."

Manchin's and the Chamber's pushback did nothing to deter paid leave backers on the Hill and off.

"Policymakers are very open to different ways of approaching specifics that they find problematic," Sherry Leiwant, co-founder of A Better Balance, said. "So it's very frustrating to have that opposition."

Sen. [Kirsten Gillibrand](#) (D-N.Y.) — a longtime paid leave advocate and sponsor of the [FAMILY Act](#), which the House language was built on — told reporters Tuesday that Manchin told her he would like to see a structure "more akin to Social Security," and she was working to draft such a proposal that would qualify for reconciliation and not violate Biden's pledge to not raise taxes on the middle class.

Representatives from groups like Paid Leave for the U.S. and Paid Leave for All [stood in the rain](#) for five hours Tuesday outside the Capitol as lawmakers including Neal, Gillibrand, Rep. [Rosa DeLauro](#) (D-Conn.) and Sen. [Patty Murray](#) (D-Wash.) stopped by between votes to share personal and constituent stories about paid leave — and vow that they were still fighting to get it into the final bill.

"I'm in this fight with you," Murray told advocates. "I am not going to give up. We are going to keep going every day until we get this done."

The U.S. is the only wealthy nation without a national paid leave policy. Just 23 percent of private-sector workers have access to paid family leave, [according to the Bureau of Labor Statistics](#). Seventy-seven percent have access to paid sick leave. In both instances, they are disproportionately higher-paid workers.

Burgess Everett contributed to this report.