

‘Baffled and deeply disappointed’: White House in no rush to revive even limited paid leave

By Eleanor Mueller

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President Joe Biden reanimated paid leave advocates earlier this month when he publicly called for reinstating a lapsed program that offered employers tax breaks for giving their workers paid time off to cope with Covid-19.

But the administration has yet to take any concrete steps toward bringing back the policy, despite [moving to pursue other facets of its pandemic preparedness plan](#). The program, like its immediate predecessor, would be narrow in scope and have an expiration date, a shadow of the much more robust and permanent benefit that [Biden originally campaigned on creating](#).

The relevant congressional staffers have yet to hear anything from the White House about the new plan, two people familiar with the issue on the Hill said. That outreach would be the first step toward exploring how to make the proposal, [first reported by POLITICO](#), a reality.

“I continue to be baffled and deeply disappointed by the fact that paid leave does not seem to be high on the agenda right now,” said Vicki Shabo, who studies paid leave at New America, a left-leaning think tank.

One potential reason for the foot-dragging: Bringing back the teeth of the policy — requiring qualifying companies to provide employees with the benefit — is a red line for congressional Republicans.

The mandate was included in a [coronavirus-response package](#) in 2020, but Republicans lobbied fiercely against extending it when it expired at the end of that year.

They're even more staunchly opposed now, arguing that it's time to rein in the government's pandemic response given surging inflation and a continuing worker shortage.

And the alternative — extending the tax credit alone on an opt-in basis, as Congress wound up doing — is untenable to advocates, who argue that it would not expand paid leave to any new workers. Instead, they say, it would line the pockets of employers who would have chosen to offer it anyway.

“Tax credits alone are not real paid leave,” Dawn Huckelbridge, director of Paid Leave for All, said. “That’s not what we’re fighting for.”

The National Partnership for Women and Families led more than 130 advocacy organizations in penning a letter to members of Congress March 16, [obtained by POLITICO](#), that called on lawmakers to “reinstate and expand guaranteed emergency paid sick days and paid family and medical leave.”

They want to make it clear that they will not settle for a tax credit alone.

“We just feel strongly that for an emergency paid sick leave policy to be effective, it needs to have that employer requirement attached to it,” NPWF’s Michelle McGrain said. “That’s our purpose in sending this letter to Capitol Hill: As they work on this issue with the president, we want them to prioritize the access piece of it, and not just the employer support piece.”

However, such a proposal is virtually guaranteed to fail in the Senate, where Democrats have only a one-vote majority. Many Democrats were pushing to include a broader paid leave plan in a [reconciliation bill](#) that carried Biden's tax and social spending package, which could have passed with a bare majority — but [the White House stripped the plan](#) from the legislation.

The White House has publicly skirted the issue of what, exactly, it is calling for now, pledging in its Covid-19 preparedness plan to “work with Congress to reinstate tax credits to help small- and mid-size businesses provide paid sick and family leave to deal with COVID-related absences” — but making no mention of whether it would press for revival of the associated mandate as well.

“As the pandemic began, a paid leave tax credit was enacted on a bipartisan basis,” a senior administration said in response to a request to clarify. “The credit and leave requirement were not continued in 2021, but we believe it’s the right thing to do.”

The program in question was enacted as part of an earlier pandemic relief package, Families First, and required private employers with fewer than 500 employees to provide workers with paid leave — the cost of which was covered by a tax credit. When it lapsed at the end of 2020, lawmakers voted to extend the tax credit alone: Qualifying employers who chose to provide the benefit could collect, but would be under no obligation to do so.

More than 380,000 employers claimed the tax credit in 2020, [according to the Government Accountability Office](#). Data isn’t available yet on how the switch to an optional program affected its reach in 2021, partially because of how employers were able to claim the tax credit — as a deduction on what taxes they owed, rather than an issued rebate.

“Certainly, we would expect it to have a significant effect,” Chantel Boyens, who studies paid leave at the Urban Institute, said. “But I don’t have data right now to be able to say, ‘Here’s what’s happening,’ and it’s really frustrating.”

GAO said in an email it plans to release a report on the topic later this spring.

But economists say that it’s unlikely that an optional reimbursement spurred any new companies to offer the benefit to their workers.

“I don’t think it’s going to significantly move the needle,” Rachel Greszler, an economist at The Heritage Foundation, said. “Employers aren’t going to do this unless it was something that they were already going to do. And then it becomes more of a windfall benefit, as opposed to actually increasing the amount of access that’s out there.”

The administration “want[s] to be able to say they’ve done something, but I just don’t think it’s going to do all that much to help people,” Greszler added.

Maggie Cordish, who advised the Trump administration on paid leave during the drafting of the Families First program, said, “There are plenty of businesses, I’m sure, that opted out.”

Kristopher Garcia, 45, illustrates what workers can face if the program is not resuscitated in some form.

He has two jobs: leading an assembly line at Air Squared, and loading planes for United. Air Squared was able to provide him paid leave in 2021 so he could isolate following a series of surgeries — in part, Garcia says, thanks to the Families First tax credits.

This year, the story was different: When Garcia contracted a nasty cough in January, his employer told him to come in and “just wear a mask” while he waited for test results.

“Obviously, we don’t have the tax credits,” Garcia, whose hemophilia qualifies him as high-risk, said. Before, “we had a number of hours that were allotted for the Covid relief stuff. Then, one paycheck, [it was] all of a sudden zero hours.”

“I could have gotten everybody at work sick,” Garcia said.

Air Squared did not respond to a request for comment.

“If I were advising the administration, I would advise them to keep the mandate as long as there’s a CDC recommendation that people quarantine,” Cordish said. “If people are getting sick and they’re told they shouldn’t be in the public sphere, you have to protect them so they can do that.”

But Republicans — whose support is crucial to passage of any such legislation — are deadset against bringing back the requirement. Unwilling to hand Biden a win ahead of the midterm elections, they also cite the need to fill jobs amid [record-high prices](#).

“To fight this raging inflation, Congress needs to end COVID emergency programs that erect barriers to reconnecting to work,” said House Ways and Means ranking member [Rep. Kevin Brady](#) (R-Texas), in a statement. “Most small and Main Street businesses are desperate for workers, while production lines go unmanned, assembly workers are scarce and delivery help is lacking.”

Senate Majority Leader [Mitch McConnell](#)'s office did not respond to multiple requests for comment.

Longtime advocates for paid leave like Senate HELP Chair [Sen. Patty Murray](#) (D-Wash.) say they plan to do everything in their power to push for the mandatory program's revival.

"Paid leave should be a part of our COVID-19 response, so I'm going to keep talking to the White House, knocking on doors in Congress, and pushing all my colleagues—including nearly all of my Republican colleagues who voted for emergency paid leave just two years ago—to help me deliver for working families," she said.

If their efforts are unsuccessful, the White House risks drawing the ire of the care advocates — [already incensed at the moderate-induced demise of Build Back Better](#) — who helped put Biden in the White House in the first place.

“That would be really difficult for people to swallow,” Shabo said.