Press Release

Hazard Pay During COVID-19

ALLISON EDWARDS | APRIL 10, 2020

While the federal government is providing significant financial help to businesses and the unemployed during the COVID-19 pandemic, workers in "essential" occupations are receiving little additional support. Policymakers are considering giving these essential workers hazard pay to compensate them for the risks of continuing to go to work. AAF's Labor Market Policy Data Analyst Isabel Soto surveys the current proposals and assesses their potential costs.

Her central points:

- Workers in essential occupations are being provided little additional support during the COVID-19 pandemic, and low-wage workers are likely making less than individuals on unemployment;
- At the federal level, Democrats have introduced a bill and President Trump has voiced his support of additional pay for workers on the frontlines of the epidemic, while several localities have already approved hazard pay with varying levels of pay increases; and
- Nationwide hazard pay could be distributed as a percentage of income or as a flat rate and could cost up to $148.9 billion with a 25 percent hourly wage increase, $298 billion with a 50 percent hourly percent wage increase, or $398.9 billion at a $13 an hour increase if it were offered from March to the end of September.

Read the research.