

Press Release



Estimating the Cost of an Emergency Federal Paid-Leave Program

ANDREW EVANS | MARCH 10, 2020

The success of any government response to the coronavirus largely depends on the effectiveness of quarantines. As a result, policymakers are reportedly considering an emergency paid sick-leave program that would mitigate the cost to individuals of staying home from work. While the cost of any benefit will depend on its design and the pervasiveness of the outbreak, such a federal benefit could cost as much as \$225 billion, write AAF's Director of Human Welfare Policy Tara O'Neill Hayes and Labor Policy Data Analyst Isabel Soto.

Their key points:

- One potential way to encourage an effective quarantine would be an emergency federal paid sick-leave benefit, as nearly one-fourth of U.S. workers do not have access to such a benefit.
- Three types of benefits could help contain the outbreak by encouraging quarantine: a sick-leave benefit for confirmed cases, a benefit to encourage testing in suspected cases, and a childcare-support benefit.
- A 14-day wage replacement benefit for all but the top 25 percent of earners could cost as much as \$180 billion, depending on its generosity and targeting, for those who are sick, and cost up to \$45 billion to cover time off while getting tested.

[Read the analysis.](#)