

116TH CONGRESS  
2D SESSION

# H. R. 7744

To provide Federal reimbursement of qualified State paid leave programs,  
and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2020

Mr. GOMEZ (for himself, Ms. DELAURO, Mr. DANNY K. DAVIS of Illinois, Mr. CARSON of Indiana, Ms. JUDY CHU of California, Mr. CISNEROS, Mr. GOTTHEIMER, Mrs. HAYES, Mr. HUFFMAN, Ms. JAYAPAL, Mr. KHANNA, Mr. LANGEVIN, Mr. LOWENTHAL, Ms. MOORE, Ms. NORTON, Mr. PANNETTA, Mr. PASCRELL, Ms. PORTER, Ms. SÁNCHEZ, Mr. SAN NICOLAS, Ms. SHERRILL, Ms. SPEIER, and Mr. SUOZZI) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To provide Federal reimbursement of qualified State paid  
leave programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “State Paid Leave for  
5 America Now (PLAN) Act”.

1 **SEC. 2. FEDERAL REIMBURSEMENT OF QUALIFIED STATE**  
2 **PAID LEAVE PROGRAMS.**

3 (a) **IN GENERAL.**—There are appropriated to the  
4 Secretary of the Treasury such sums as necessary to make  
5 payments to States to reimburse eligible State expendi-  
6 tures in accordance with this section.

7 (b) **ELIGIBLE STATE EXPENDITURE.**—For purposes  
8 of this section, the term “eligible State expenditure”  
9 means any expenditure by a State—

10 (1) made during the period beginning on Janu-  
11 ary 27, 2020, and ending on December 31, 2021,  
12 with respect to any qualified paid leave program;  
13 and

14 (2) consisting of any of the following:

15 (A) The payment of benefits by the State  
16 under such program.

17 (B) Subject to subsection (d), the reim-  
18 bursement of benefits paid by a private em-  
19 ployer or insurer—

20 (i) required to maintain such program  
21 under the law of the State; or

22 (ii) offering such a program on the  
23 basis of reimbursement of tax relief pro-  
24 vided by the State.

25 (C) The administrative costs to the State  
26 of operating a qualified paid leave program

1           maintained by the State or issuing reimburse-  
2           ments described in subparagraph (B).

3           (c) QUALIFIED PAID LEAVE PROGRAM.—

4           (1) IN GENERAL.—For purposes of this section,  
5           the term “qualified paid leave program” means any  
6           program maintained by a State, or by a private em-  
7           ployer or insurer required to maintain such program  
8           under the law of the State, that provides paid leave  
9           benefits described in paragraph (2), but only to the  
10          extent that such benefits are paid for circumstances  
11          related to COVID-19 (as determined pursuant to  
12          paragraph (3)).

13          (2) APPLICABLE PAID LEAVE BENEFITS.—

14           (A) IN GENERAL.—Except as provided in  
15           subparagraph (B), a paid leave benefit de-  
16           scribed in this paragraph is a benefit which pro-  
17           vides full or partial wage replacement to em-  
18           ployees on the basis of specifically defined  
19           qualifying events defined under the law or pro-  
20           gram policy of a State and which ends either  
21           when the qualifying event is no longer applica-  
22           ble or a set period of benefits is exhausted.

23           (B) EXCEPTIONS.—A paid leave benefit  
24           described in this paragraph does not include—

1 (i) any form of accrued paid leave or  
2 any form of paid leave for which accrued  
3 paid leave is required to be substituted;

4 (ii) any form of compensation paid in  
5 remedy for a workplace injury, illness, or  
6 death or in exchange for forfeiting any  
7 right of action against the employer for a  
8 workplace injury, illness, or death; or

9 (iii) any paid leave with respect to  
10 which any taxpayer is eligible for a credit  
11 under division G of the Families First  
12 Coronavirus Response Act (Public Law  
13 116–127).

14 (3) CIRCUMSTANCES RELATED TO COVID-19.—  
15 For purposes of this section, a benefit is paid for  
16 circumstances related to COVID-19 if, in order to be  
17 eligible for such benefit, the recipient must be an in-  
18 dividual who (as determined by the qualified paid  
19 leave program under the law of the State)—

20 (A) has a current or presumptive diagnosis  
21 of COVID-19 from a health care provider;

22 (B) is under quarantine (including self-im-  
23 posed quarantine or self-isolation) at the in-  
24 struction of a health care provider, employer, or  
25 a local, State, or Federal official—

1 (i) in order to prevent the spread of  
2 COVID-19; or

3 (ii) due to underlying health condi-  
4 tions that put the individual at high risk if  
5 they contract COVID-19;

6 (C) is engaged in caregiving for an indi-  
7 vidual who has a current or presumptive diag-  
8 nosis of COVID-19 from a health care provider  
9 or is under quarantine as described in subpara-  
10 graph (B); or

11 (D) meets such other circumstances re-  
12 lated to COVID-19 as the law of the State or  
13 the Secretary of the Treasury (in consultation  
14 with the Secretary of Health and Human Serv-  
15 ices and the Secretary of Labor) may provide.

16 (d) RESTRICTION ON CERTAIN REIMBURSEMENTS.—  
17 A State may not treat an expenditure described in sub-  
18 section (b)(2) with respect to a qualified paid leave pro-  
19 gram as an eligible State expenditure—

20 (1) with respect to benefits paid by the State  
21 under such program as described in subparagraph  
22 (A) of such subsection, if the State, during the pe-  
23 riod described in subsection (b)(1) or during the 6-  
24 month period immediately following such period, re-  
25 stricts eligibility or reduces program benefits (in-

1 including with respect to duration of leave, wage re-  
2 placement rate, or maximum benefits or coverage)  
3 related to such program; and

4 (2) with respect to benefits paid by a private  
5 employer or insurer as described in subparagraph  
6 (B) of such subsection, unless the private employer  
7 or insurer receiving reimbursement under such sub-  
8 section provides assurances to the satisfaction of the  
9 State that—

10 (A) the private employer or insurer has in  
11 effect procedures—

12 (i) to determine whether a benefit is  
13 paid for circumstances related to COVID-  
14 19 that comply with the standard estab-  
15 lished in subsection (c)(3); and

16 (ii) to report such determinations to  
17 the State; and

18 (B)(i) during the period described in sub-  
19 section (b)(1) and during the 6-month period  
20 beginning on the date on which the entity re-  
21 ceives such reimbursement from the State, the  
22 private employer or insurer will not—

23 (I) raise any premium (if applicable)  
24 with respect to any plan for which the pri-  
25 vate employer or insurer submitted expend-

1           itures to the State for reimbursement, un-  
2           less the premium increase is directly and  
3           proportionally tied to expanded or in-  
4           creased paid leave program benefits man-  
5           dated by law or to increased utilization un-  
6           related to circumstances related to  
7           COVID-19 (as determined pursuant to  
8           paragraph (3)); or

9                   (II) reduce any benefit (including with  
10           respect to duration of leave, wage replace-  
11           ment rate, maximum benefits or coverage)  
12           with respect to any such plan; and

13                   (ii) in any case in which the private em-  
14           ployer or insurer violates clause (i), the private  
15           employer or insurer agrees to repay the State  
16           any such reimbursement received.

17 In any case in which a private employer or insurer repays  
18 any amount to a State pursuant to paragraph (2)(B)(ii),  
19 the State shall repay to the Secretary of the Treasury such  
20 portion of payments received by the State under sub-  
21 section (a) as pertain to such amount.

22           (e) TIMING AND PROCEDURE FOR PAYMENTS.—

23                   (1) CERTIFICATIONS BY STATES.—

24                           (A) INITIAL ESTIMATE.—Not later than  
25           September 30, 2020, each State seeking a pay-

1           ment under this section shall certify to the Sec-  
2           retary of the Treasury an initial estimate of the  
3           total amount of eligible State expenditures the  
4           State expects to make with respect to calendar  
5           years 2020 and 2021.

6           (B) FINAL REPORT.—Not later than July  
7           1, 2023, each such State shall certify a final re-  
8           port of the total amount of eligible State ex-  
9           penditures made with respect to such calendar  
10          years. Such report shall also include—

11                   (i) the number of benefit claims that  
12                   qualified for reimbursement, by eligibility  
13                   category and type of leave;

14                   (ii) the average duration of benefit re-  
15                   ceipt with respect to each such eligibility  
16                   category and type of leave; and

17                   (iii) any demographic information  
18                   about recipients, disaggregated by eligi-  
19                   bility category and type of leave, which is  
20                   collected by the State or private insurer  
21                   during the application process.

22          Not later than December 31, 2023, the Sec-  
23          retary of the Treasury shall submit a report to  
24          Congress providing aggregate data summarizing  
25          such final report. Such final report shall not in-

1           clude any individually identifiable information  
2           or any information which is protected by State  
3           or Federal privacy law, and nothing in this sub-  
4           paragraph shall be construed to require a State  
5           or private insurer to collect any information  
6           from applicants beyond the extent information  
7           described in clause (iii) is collected during the  
8           application process.

9           (2) TIMING OF PAYMENTS.—The Secretary of  
10          the Treasury shall make payments under this section  
11          on a quarterly basis during calendar years 2020 and  
12          2021 beginning on December 31, 2020, based on an  
13          amount equal to 75 percent of the initial estimates  
14          received pursuant to paragraph (1)(A).

15          (3) RECONCILIATION.—Not later than Sep-  
16          tember 30, 2023, the Secretary of the Treasury shall  
17          reconcile with each State amounts paid pursuant to  
18          paragraph (2) with the final report submitted by the  
19          State pursuant to paragraph (1)(B), and shall pay  
20          additional amounts to the State or collect overpay-  
21          ments as necessary based on the amount specified in  
22          such final report.

23          (f) DEFINITION OF STATE.—For purposes of this  
24          section, the term “State” means any of the 50 States or  
25          the District of Columbia.

1 **SEC. 3. STUDY.**

2 (a) IN GENERAL.—The Comptroller General shall  
3 conduct a study to examine the potential impact on the  
4 economy had a national paid leave program been in effect  
5 during and after the COVID-19 pandemic.

6 (b) REPORT.—Not later than December 31, 2022,  
7 the Comptroller General shall submit a report to Congress  
8 on the results of the study under subsection (a).

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