## ELIZABETH WARREN MASSACHUSETTS

COMMITTEES BANKING, HOUSING, AND URBAN AFFAIRS

HEALTH, EDUCATION, LABOR, AND PENSIONS

ARMED SERVICES

SPECIAL COMMITTEE ON AGING

## United States Senate

UNITED STATES SENATE WASHINGTON, DC 20510-2105 P: 202-224-4543

2400 JFK FEDERAL BUILDING 15 NEW SUDBURY STREET BOSTON, MA 02203 P: 617–565–3170

1550 MAIN STREET SUITE 406 SPRINGFIELD, MA 01103 P: 413-788-2690

www.warren.senate.gov

March 21, 2020

Chris Kempczinski President and Chief Executive Officer McDonald's 1200 12<sup>th</sup> Avenue South, Suite 1200 Seattle, WA 98144

Dear Mr. Kempczinski:

I am writing to seek information about the steps you are taking to ensure that all employees of your company and its franchisees, subsidiaries, contractors, and subcontractors have access to paid sick leave and adequate health and safety protections during the coronavirus pandemic. I appreciate that your stores have remained open during this difficult time, and that you are doing your part to make sure that Americans have access to food during the pandemic, but as one of the largest employers in the United States, you have a responsibility in this escalating public health emergency to act to protect your workers and ensure your company's policies are not exacerbating a pandemic.

Because of the highly contagious nature of the novel coronavirus and the serious risk it presents to older people and people with underlying health conditions, the CDC recommends that people stay home when they are sick, even if their symptoms are mild.<sup>1</sup> As the virus spreads more widely, this advice will affect a much larger number of people; as of this writing, there are more than 19,000 confirmed cases of coronavirus disease 2019 (COVID-19) in the United States.<sup>2</sup> Because of limited testing capacity, it may be difficult for people experiencing symptoms to confirm whether they have COVID-19 or a seasonal flu or cold; public health experts recommend self-isolating if testing is not available to avoid the risk of exposing vulnerable people in the community.<sup>3</sup>

I am calling on your company to adopt the paid sick leave policy laid out in the *Providing Americans Insured Days of Leave Act* recently introduced by Senators Patty Murray (D-WA) and Kirsten Gillibrand (D-NY), which would provide all employees and independent contractors

<sup>&</sup>lt;sup>1</sup> Centers for Disease Control and Prevention, "Steps to Help Prevent the Spread of COVID-19 If You are Sick," last reviewed March 16, 2020, <u>https://www.cdc.gov/coronavirus/2019-ncov/about/steps-when-sick.html.</u> <sup>2</sup> Johns Hopkins University, "Coronavirus COVID-19 Global Cases by Johns Hopkins CSSE," accessed March 18,

<sup>&</sup>lt;sup>2</sup> Johns Hopkins University, "Coronavirus COVID-19 Global Cases by Johns Hopkins CSSE," accessed March 18 2020, <u>https://www.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6</u>.

<sup>&</sup>lt;sup>3</sup> Washington Post, "After Trump promised 'anybody' can get coronavirus testing, patients and doctors still complain of roadblocks," Shawn Boburg, Emma Brown, Derek Hawkins, and Amy Goldstein, March 12, 2020, <u>https://www.washingtonpost.com/investigations/coronavirus-testing-denials/2020/03/12/a70eca1e-63df-11ea-912d-d98032ec8e25\_story.html</u>

with 14 days of emergency paid leave that can be accessed immediately, regardless of employment tenure, without medical documentation, and before drawing down other accrued paid leave during this public health emergency.<sup>4</sup> It is essential that employees have access to paid time off so that they are not penalized financially for following CDC guidance if they may be sick or seek medical care, or if they need to care for children whose school may be closed, family members who are quarantined or isolated, or if their employer is closed due to coronavirus.

I am encouraged that you have recognized the importance of paid sick leave during the current crisis by introducing emergency sick leave policies in response to the spread of coronavirus;<sup>5</sup> however, I am concerned that gaps in these policies will leave many workers without the option to follow best medical advice when they are sick, putting themselves, their colleagues, and their communities at greater risk.

First, it is essential that paid sick leave policies apply to all employees, including parttime workers, new employees, and those employed by franchisees, subsidiaries, contractors, and subcontractors. Any policy that requires employees to use existing paid time off, such as Wal-Mart's policy, which requires employees to used existing paid sick time to care for a child or family member, must not depend on accruing sufficient time off based on employee tenure. A sick employee on their first day and a sick employee of many years pose exactly the same risk of spreading coronavirus to coworkers and customers; during this pandemic, both need the same paid sick leave coverage. The same is true for those caring for sick relatives, who may then become exposed themselves. Given the high turnover in many low-wage jobs,<sup>6</sup> offering a benefit that is only meaningful for longtime and/or full-time employees is unlikely to provide sufficient help to your employees, and will therefore increase the risk of employees becoming sick or spreading infection.

Policies that exclude employees of franchisees, subsidiaries, contractors, and subcontractors are similarly problematic. For example, your company recently announced a new policy to provide two weeks of pay in the event of a quarantine, but the policy covers an absurdly small part of the corporation's workforce. It only applies to employees of its corporate-owned restaurants, even though roughly 95% of its restaurants are franchisee-owned.<sup>7</sup> Similarly, Amazon issued guidance recommending all employees work from home indefinitely if they feel sick,<sup>8</sup> while its subsidiary Whole Foods responded to the crisis by asking employees to donate

<sup>&</sup>lt;sup>4</sup> Providing Americans Insured Days of Leave Act, S. 3513, <u>https://www.congress.gov/bill/116th-congress/senate-bill/3513/</u>.

<sup>&</sup>lt;sup>5</sup> McDonald's, "Prioritizing Health, Safety and Community, McDonald's Shares Coronavirus Update," March 17, 2020, <u>https://news.mcdonalds.com/news-release/news-release-details/prioritizing-health-safety-and-community-mcdonalds-shares</u>.

<sup>&</sup>lt;sup>6</sup> CNBC, "70% of workers are likely to quit at current \$7.25 minimum wage in 'brutal' turnover cycle," Matthew Castillon, September 25, 2019, <u>https://www.cnbc.com/2019/09/25/70percent-of-workers-are-likely-to-quit-at-current-federal-minimum-wage.html.</u>

<sup>&</sup>lt;sup>7</sup> Bloomberg, "McDonald's to Pay Corporate Workers for Two Weeks in Quarantine," Deena Shanker, March 10, 2020, <u>https://www.bloomberg.com/news/articles/2020-03-10/mcdonald-s-to-pay-corporate-workers-for-two-weeks-in-quarantine.</u>

<sup>&</sup>lt;sup>8</sup> CNBC, "Amazon tells all employees to work from home if they can," Annie Palmer, March 12, 2020, https://www.cnbc.com/2020/03/12/amazon-tells-all-employees-to-stay-home-amid-coronavirus-fears.html.

their own days off to a "sick day bank."<sup>9</sup> Inconsistent policies create confusion and inequity, and most importantly, they will force many individuals into a difficult choice between following public health directives and meeting their family's financial needs.

Second, sick leave policies put in place in response to the coronavirus pandemic should provide flexible documentation requirements to accommodate the CDC's recommendations for social distancing, which encourage people not to visit medical facilities in person unless they are urgently in need of care.<sup>10</sup> These policies should also reflect the reality that many workers may lack health insurance and a regular source of health care.<sup>11</sup> The conditions under which an employee can access emergency leave and the required steps should be clearly communicated to every employee to ensure that they are actually able to easily access the benefit and do not make the decision to come to work sick.

Finally, I strongly urge you to take all necessary health and safety precautions to protect your employees who are at work during this public health emergency, including providing additional cleaning supplies and protective equipment, ensuring the adequate staffing levels needed to increase the frequency of cleaning, seeking expert guidance on best practices to minimize the spread of infection, and ensuring workers now working overtime to meet demand at your company<sup>12</sup> have adequate protections. In areas that have issued "shelter in place" orders, grocery and food providers have been considered "essential businesses;"<sup>13</sup> in the event that employees are asked to continue working in an area with widespread transmission of coronavirus, they need to be assured of sufficient protection to avoid putting themselves and their families at risk. These protections will not only help to keep employees safe; they will also prevent widespread absences that could affect your ability to operate essential services and help to slow the spread of the virus in the community.

I urge you to rise to the imperative of this public health crisis by providing universal, flexible paid leave and adequate health and safety protections for all your employees. To learn more about your company's response, I request your response to the following questions no later than March 27, 2020:

1) What are the sick leave policies in place for all categories of employees at your company, including all franchisees, subsidiaries, contractors, and subcontractors?

<sup>&</sup>lt;sup>9</sup> New York Post, "Whole Foods suggests workers share paid time off amid coronavirus outbreak," Vincent Barone, March 13, 2020, <u>https://nypost.com/2020/03/13/whole-foods-suggests-workers-share-paid-time-off-amid-coronavirus-outbreak/</u>.

<sup>&</sup>lt;sup>10</sup> Centers for Disease Control and Prevention, "Steps to Help Prevent the Spread of COVID-19 If You are Sick," March 11, 2020, <u>https://www.cdc.gov/coronavirus/2019-ncov/about/steps-when-sick.html.</u>

<sup>&</sup>lt;sup>11</sup> Kaiser Family Foundation, "Key Facts about the Uninsured Population," Jennifer Tolbert, Kendal Orgera, Natalie Singer, and Anthony Damico, December 13, 2019, <u>https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/.</u>

<sup>&</sup>lt;sup>12</sup> The Guardian, "They don't care about safety': Amazon workers struggle with pandemic demand," Michael Sainato, March 18, 2020, <u>https://www.theguardian.com/technology/2020/mar/18/amazon-whole-foods-workers-stores-warehouses-coronavirus</u>.

<sup>&</sup>lt;sup>13</sup> The Mercury News, "Who can leave their home? Read the 'Shelter in Place' order for 7 Bay Area counties," Michael Nowels, March 16, 2020, <u>https://www.mercurynews.com/2020/03/16/read-shelter-in-place-order-from-six-bay-area-counties/</u>.

- 2) Are all employees including those of franchisees, subsidiaries, contractors, and subcontractors – able to access the maximum amount of paid sick leave regardless of their tenure at the company? Which, if any, employees, are unable to do so? How many of these employees work at your company (including all franchisees, subsidiaries, contractors, and subcontractors)? What is the sick leave policy for these employees?
- 3) What documentation will employees including of franchisees, subsidiaries, contractors, and subcontractors be required to provide to access emergency paid sick leave under your emergency paid sick leave policy? In what circumstances will documentation requirements be waived or adapted?
- 4) Please describe steps taken to date to provide additional supplies, protective equipment, and training to employees to keep workplaces sanitized and minimize the risk of infection.
- 5) Please describe how you will protect employees including of franchisees, subsidiaries, contractors, and subcontractors who are expected to report to work due to your facility being considered an "essential service" during a lockdown or shelter-in-place order.

Thank you for your consideration of this important matter.

Sincerely,

Plicabithly

Elizabeth Warren United States Senator