



**Weight for It**  
A calendar quirk just gave some funds a big lift **B5**

# EXCHANGE

**Baltimore's Son**  
The man who might save the newspaper business **B10**



BUSINESS | FINANCE | TECHNOLOGY | MANAGEMENT THE WALL STREET JOURNAL. \*\*\*\*\* Saturday/Sunday, April 10-11, 2021 | B1  
DJIA 33800.60 ▲ 297.03 0.9% NASDAQ 13900.19 ▲ 0.5% STOXX 600 437.23 ▲ 0.1% 10-YR. TREAS. ▼ 9/32, yield 1.664% OIL \$59.32 ▼ \$0.28 GOLD \$1,743.30 ▼ \$13.50 EURO \$1.1902 YEN 109.67



Cranes are rising in Salt Lake City, top left and bottom right, while a local mattress maker, top right, adds more workers. The optimism drew Romina Boccia and Grice Mulligan, bottom left.

# The New American Boomtowns

As the pandemic raged through the U.S., no metropolitan area expanded the size of its labor force more than Salt Lake City. It is one of several hubs located far from the coasts that are emerging as beacons to job seekers and businesses.

BY HANNAH LANG AND KIM MACKRAEL

**S**alt Lake City has top-notch ski resorts, challenging bike trails and breathtaking views of the Wasatch Mountains. It also is home to the hottest job market in the U.S. As the pandemic raged through the U.S. in 2020, no metropolitan area in the country expanded the size of its labor force more on a percentage basis than Utah's capital. It also had the lowest average unemployment rate and the highest share of people working or looking for jobs. These signs of strength helped it rank first among 53 large metro areas in an annual examination of U.S. labor

markets conducted by The Wall Street Journal, after ranking No. 4 in 2019. Other cities that emerged as beacons to job seekers and businesses during the pandemic were, like Salt Lake City, located far from the coasts. Hubs in the Southwest and Midwest such as Austin, Denver, Indianapolis and Kansas City minimized employment losses, kept unemployment relatively low and retained and attracted workers in a year when the U.S. lost more than nine million jobs. Some benefited from technology jobs that became even more critical during a time of isolation for

many Americans, while others relied on older corners of the economy that were also in high demand. Workers gravitated to these places due to the job opportunities, lower costs and a quieter lifestyle that appealed to some migrants from bigger population centers who were now allowed to work remotely. The losers were tourist hot spots such as Las Vegas or densely populated cities such as New York, Los Angeles and Chicago that lost workers as the coronavirus spread. Even once-hot tech hubs of San Francisco, Raleigh, N.C., and Boston suffered de-

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## Airlines Pull 737 MAX After Boeing Warning

Aircraft maker discovers potential electrical issue; carriers cancel some flights or substitute jets

BY ALISON SIDER AND DOUG CAMERON

U.S. airlines removed dozens of newly built 737 MAX jets from service after Boeing Co. flagged a potential electrical problem just months after carriers began flying them again following a near two-year grounding of the global fleet. The newly discovered issue could undermine efforts for Boeing and airlines to restore passenger confidence in the plane and as the company works to resolve quality issues that have dogged some of its commercial and military jets. The potential problem also creates operational headaches for U.S. airlines just as travel has started to pick up again, forcing some to cancel flights and reaccommodate customers or quickly substitute jets as flights have been getting fuller. Boeing said it had told 16 MAX operators to inspect their jets for a potential electrical problem that was discovered during assembly of a plane being built in Seattle. Some carriers were alerted to the problem overnight or early Friday morning. The four U.S. airlines that fly the MAX said they had pulled 67 of the planes from schedules. The Federal Aviation Administra-

tion said that Boeing had notified it of a manufacturing issue that could affect the operation of a backup power control unit, and said it would ensure the issue was addressed. Boeing on Friday said it is working with the FAA on resolving the issue and was continuing production of the MAX. Boeing said it was too early to know how long it would take to inspect the planes, ensure that the affected part is correctly installed and make any required fixes. Fewer than 100 planes in airline fleets around the world could be affected by the potential problem, according to people familiar with the matter. Federal regulators don't consider it to be an immediate safety issue, one of the people said. The electrical issue isn't related to the automated flight-control system malfunction that led to the crashes of planes flown by Indonesia's Lion Air in October 2018 and Ethiopian Airlines in March 2019, according to a Boeing spokesperson. David Seymour, chief operating officer of American Airlines Group Inc., said in a message to employees Monday that Boeing had traced the issue to a production change made in the installation process that occurred after American had received its last aircraft before the grounding. The airline said it took 17 of its most recently delivered MAX aircraft out of service to complete necessary inspections. American still has 24 other MAX jets in its fleet

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Coca-Cola CEO James Quincey came under fire for his company's initially muted response to a controversial voting-rights law in Georgia.

## The New Business of Business Is...Politics

CEOs are under pressure to take stands on social issues, but risk blowback on all sides

BY CHIP CUTTER, SUZANNE VRANICA AND ALISON SIDER

Big brands like Coca-Cola Co. and Delta Air Lines Inc. for years have positioned themselves as forces for promoting what they see as social good—an approach they displayed last summer after the death of George Floyd. Coca-Cola turned off its Times Square billboard for a day. Delta

flew Mr. Floyd's body to his family in Houston. The Atlanta-based companies were among the scores of corporations that pledged money and initiatives toward racial justice amid the upheaval that Mr. Floyd's death while in police custody unleashed.

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## Aramco Strikes Deal To Sell 49% Of Pipelines

Consortium led by EIG To pay over \$12 billion

BY BEN DUMMETT AND SARAH MCFARLANE

Saudi Arabia's energy giant said it struck a \$12.4 billion deal to sell a 49% stake in a newly formed oil pipeline business to an international consortium led by U.S. investment firm EIG Global Energy Partners. Abu Dhabi sovereign-wealth fund Mubadala Investment Co. is also a member of the consortium, which will likely eventually include Chinese and Saudi investors as well, people familiar with the matter said. The move by Saudi Arabian Oil Co., known as Aramco, represents another far-reaching attempt to monetize Saudi Arabia's prodigious oil assets—once considered so strategic that even a minority stake sale seemed far-fetched. With the ascension of Crown Prince Mohammed bin Salman, however, the kingdom has been more willing to lure foreign investors and cede some access to its oil assets in exchange for cash. Over several years, Prince Mohammed promoted an international listing of Aramco shares, before ultimately deciding on a local listing of a very

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## The Rise of The New U.S. Boomtowns

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clines. Some of these laggards were more aggressive with their business lockdowns, allowing rival metros with fewer restrictions and lower costs to capitalize on the chaos.

Whether these changes are temporary or lasting is too soon to know. Some cities that lost a lot of jobs in 2020 likely rebounded with more robust hiring in March, according to a Labor Department report from early April that showed strong national job gains in restaurants, bars, entertainment and hotels. Forecasters surveyed by the Journal project about six million jobs to be added across the U.S. in the next 12 months, which would be the best such stretch of job creation on record back to the 1940s.

Some expect the top performers in 2020 to consolidate their gains. "Coming out of the pandemic, and out of this recession, their edge is probably only going to get larger," said Moody's Analytics economist Adam Kamins. Moody's Analytics provided data for the Journal's rankings.



Hikers reach a summit overlooking Salt Lake City, which emerged as a job engine thanks in part to a young and well-educated population.

### The silicon slopes

To determine the strongest job market in the country, the Journal assessed regions with more than one million residents on five labor market indicators: the average unemployment rate, the labor-force participation rate, the change in payrolls, weekly wages and the percentage increase in the size of the workforce.

Salt Lake City rose to the top thanks to fewer business shutdowns, more moderate health consequences from Covid-19 and a young and well-educated population that supported a tech sector that was already on fire before the pandemic began. Research from the University of Utah found that the state's tech-industry job growth averaged 3.6% a year between 2007 and 2017, more than double the national pace during the period.

The region spanning the neighboring cities of Provo and Salt Lake City had so much momentum over the last decade that it acquired the nickname "silicon slopes." Provo's labor market

ranked No. 17 last year among 328 smaller metro areas with fewer than one million residents, according to the Journal's analysis. Another area north of Salt Lake City, Ogden, was No. 1 among the smaller metros.

"We went into the pandemic well-positioned," said Natalie Gochnour, associate dean at the University of Utah's David Eccles School of Business.

Salt Lake City wasn't immune from the spread of Covid-19, but it was able to avoid multiple shutdowns that crippled other cities. It did so partly because of a shared local effort to keep businesses open. The local chamber of commerce and state health department partnered on a campaign where participating local companies committed to having their employees maintain distance from others, wear masks and stay home when they are sick.

Utah and other states with fewer business restrictions tended

to have less dramatic increases in unemployment last year, according to Labor Department data, though many states with looser Covid-19 restrictions had higher case counts and more deaths. It was a difficult balancing act for government officials who had to consider their economies while also protecting their populations.

Utah was able to achieve that balance largely because of the resilience of its population. It ranked fourth among states for Covid-19 cases as a share of the population, according to a Wall Street Journal analysis of data from Johns Hopkins University, yet the state had among the fewest deaths per 1,000 residents through April 7. One possible factor in that result, according to Ms. Gochnour, was the area's young population. Utah has the youngest median age of any state, according to the Census Bureau. Children and young adults die from Covid-19 at far lower rates.

By early 2021, employment in

business services and information was close to year-earlier levels in Salt Lake City, according to the Labor Department. Those tend to be better paying, higher-tech jobs. Employment in finance was already 4.4% above pre-pandemic levels in February, the latest available data. Leslie Hackett, who owns two Express Employment Professionals staffing offices in the Salt Lake City area, said she is able to immediately fill only about half of the requests for placements because it is so difficult to find enough workers.

"We're finding that when unemployment is this low, we have to recruit working people away from another job to come to us," Ms. Hackett said.

### Seeking new opportunity

The optimistic employment picture in Salt Lake City was part of the attraction for newcomers Romina Boccia and her husband, Grice Mulligan, who traded a 90-minute

commute in East Coast traffic for a home office with a view of the Wasatch Mountains. For Ms. Boccia, 36 years old, the coronavirus served as a moment to reflect, and reset goals. "If we were going to be stuck in a place for some time, we'd rather be stuck in Utah," she said.

The decision was about more than the views, however. Ms. Boccia landed an event programming job that allowed her to work remotely and Mr. Mulligan, 53, found he could easily shift his startup ambitions out West. They had lived in the Washington, D.C., area for 15 years. She worked as an economist for a think tank and he oversaw software projects for government organizations.

"It appears to be exceptionally friendly to business here," Mr. Mulligan said. His company, Pubtelly LLC, sells software to sports bars and similar establishments to manage content playing on their TVs. The Salt Lake area has a healthy

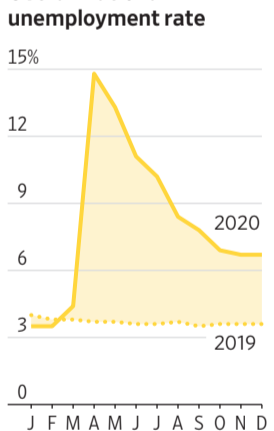
## Mapping a Recovery

Covid-19 crippled U.S. employment in 2020, but some cities located far from the coasts emerged as beacons to job seekers and businesses.

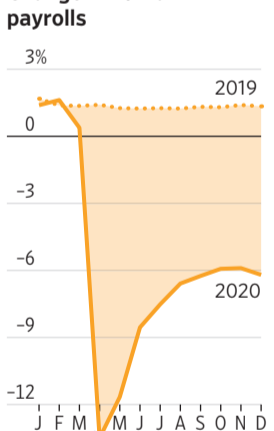
### NATIONAL JOB MARKET

The Wall Street Journal looked at five indicators to measure how well job markets performed. Nationally, most of those indicators worsened during the coronavirus pandemic, though wages improved as lower paying jobs vanished at a swifter rate.

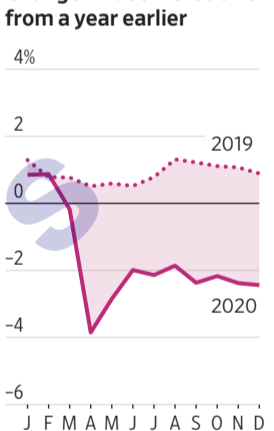
#### Overall national unemployment rate



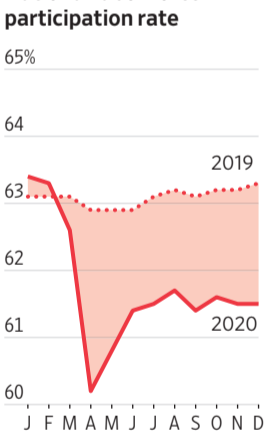
#### Change in nonfarm payrolls



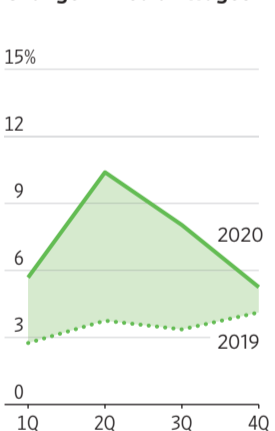
#### Change in labor force size from a year earlier



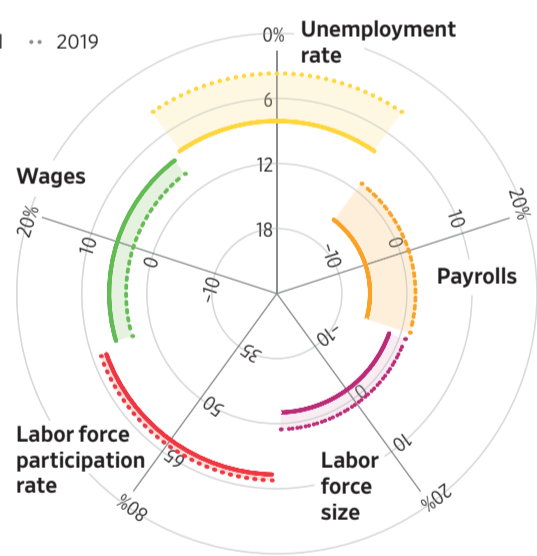
#### National labor force participation rate



#### Change in median wages

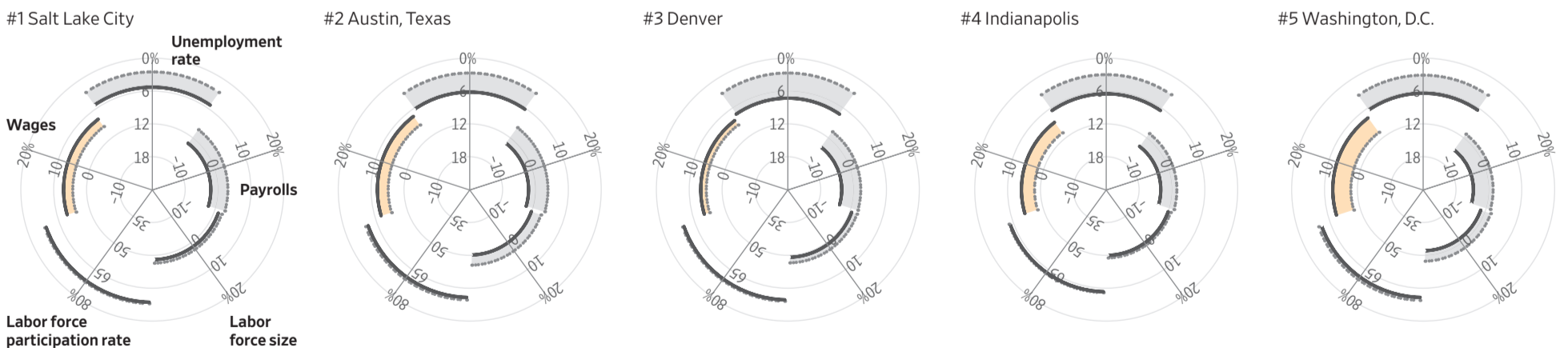


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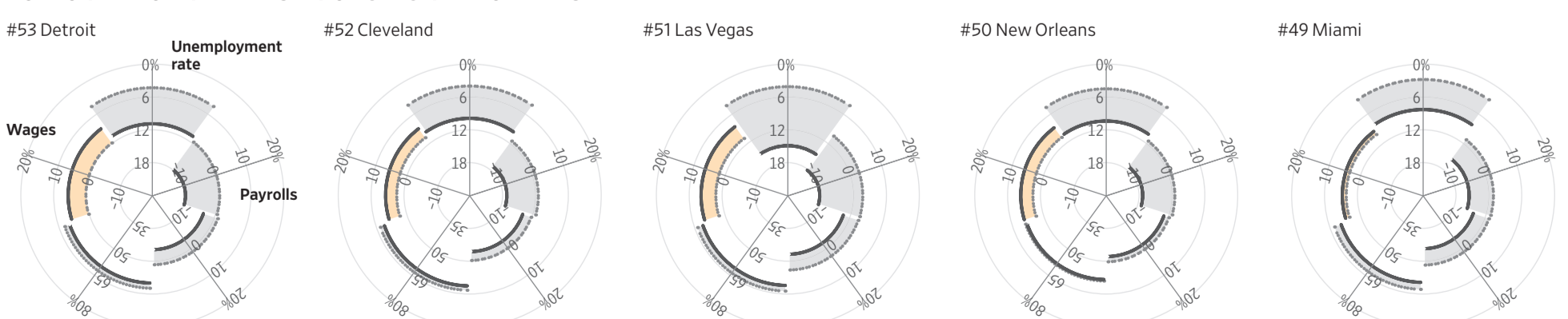


### TOP LABOR MARKETS AMONG BIG METRO AREAS

How key job market indicators changed from 2019 to 2020. The farther from the center an indicator is, the better the job market.



### BOTTOM LABOR MARKETS AMONG BIG METRO AREAS



Note: Change is from a year earlier. Monthly figures are seasonally adjusted. Circular charts reflects yearly average levels for unemployment, labor force participation, change in labor force size and change in payrolls, and reflects change in wages for the first half of each year from a year earlier. Methodology: The Wall Street Journal's ranking is based on five attributes: average unemployment rate in 2020; labor-force participation rate in 2020; the change in the average monthly employment and labor-force levels in 2020 from a year earlier; and the change in average weekly wages, not adjusted for inflation, in the first half of 2020 from the first half of 2019, reflecting the latest available wage data. Areas were scored by the highest average ranking among the five categories. Rankings were split between areas with under one million people and over one million people. Source: Moody's Analytics analysis of Labor Department data

## EXCHANGE

mix of growing startups and well-established companies, he said, plus a strong local university network that serves as a pipeline for younger talent.

If his current venture doesn't pan out, Mr. Mulligan said he would be happy to stay in the Salt Lake area, either working for a local company or launching another business. "I don't see a challenge with either going to work for someone else, or forming a company with others," he said.

Another newcomer drawn to the region's job market was Christine Spring, 55, who moved to Salt Lake City in October after retiring from her teaching job in Muskegon, Mich. Ms. Spring said she picked Salt Lake City because she thought it would be a good place to start a new career and she wanted to be closer to her two adult children—both of whom had moved to the area in previous years for work.

"It's such a huge job market, I felt like it was kind of a wide open field," she said, adding that job offers came much faster than she expected.

Within a week of her arrival in Salt Lake City, Ms. Spring had a temporary position through Express Employment as a receptionist in the Utah governor's office. She was offered two permanent jobs in the weeks that followed, which she turned down, and became a permanent employee in the governor's office in February.

One local company that added more workers during 2020 was mattress maker Purple Innovation Inc. It hired 1,200 employees in the past year, more than doubling its staff, and is looking to add more. Most of Purple's new jobs were manufacturing positions at the company's suburban Salt Lake City production facility. They also included marketing, tech and finance jobs at Purple's corporate

headquarters in Lehi, Utah, just south of Salt Lake City.

There is "a lot of freedom and a lot of business-friendly policies that make it easy for companies to come in and to thrive," said Mark Brown, vice president of human resources at Purple, who also cited the strength of the local universities and lower labor and building costs relative to coastal cities. "You just can't go anywhere in the state where there's not just substantial growth, both residential and commercial."

**Making it work in Indianapolis** America's other hot job markets, such as Austin and Denver, benefited from the migration of high-wage jobs, particularly in tech and finance, and their lower costs when compared with bigger population centers such as New York or San Francisco.

Indianapolis, the fourth-strongest labor market in The Wall Street Journal's rankings of big metros, offered different strengths. It attracted and retained jobs seekers with a mix of industries that are buttressed against the pandemic. It is a state capital, home to drugmaker Eli Lilly & Co. and has a manufacturing base, including Allison Transmission Inc. Central Indiana also has a growing logistics and warehousing industry, including one of the country's largest FedEx Corp. hubs, which increased in importance as more consumers shifted to online shopping.

One local employer that expanded in the past year was ClusterTruck, a delivery-only restaurant that added three new kitchens in the Indianapolis suburbs and hired about a dozen new staff members for each. The company even had to hire two full-time recruiters to manage its growth. New employees include line cooks, software engineers and project managers, some of whom came from out

of state, said ClusterTruck Chief Executive Chris Baggott.

ClusterTruck attributed its growth to new customers during the pandemic who ordered everything from pad thai to churros to eat at home. The company recently partnered with Kroger Co., running kitchens out of two of the grocery



ClusterTruck, a delivery-only kitchen, is growing in the Indianapolis area.

store's locations in a suburb of Indianapolis and Dublin, Ohio, and Mr. Baggott said he hopes to expand the partnership this year.

Indianapolis isn't viewed, nationally, as a tech hotbed or a place with a thriving dining or nightlife scene. But Mr. Baggott said it has been a good location to start a business.

"It's a great place to test and experiment," he said, in part because "it looks like any place else....I know this will work in San Francisco. But, if I started in San Francisco, I'm not so sure it would work in Indianapolis."

Not all Midwest cities are showing similar resilience. Cleveland and Detroit came at the bottom of the Journal's rankings, near where they placed before the pandemic.

That reflected longer-run challenges in both places, including a decadeslong decline in manufacturing jobs and loss of higher-skilled labor to other parts of the country.

Wheeling, W.Va., was the weakest market among smaller metros. It had among the largest decreases in wages as well as loss of jobs and job

speedy recovery as widespread vaccinations and pent-up demand from people stuck at home fuels a rebound in tourism. The number of nonfarm employees in the Orlando metro area edged up in February, the most recent data available, but remained 12.5% below year-ago levels, according to the Labor Department. Restaurants, hotels and entertainment venues helped drive strong national employment growth in March.

Major theme parks in the Orlando area reopened last summer, with restrictions such as capacity limits and face coverings for most guests. On a February earnings call, Walt Disney Co. CEO Bob Chapek said demand at the company's parks has been strong.

Sonja Flowers was called back to her job as a restaurant server at Walt Disney World in March, a year after she was first furloughed. Ms. Flowers, 62, said she's happy to be back at work but the time away will likely require her to push back her retirement plans.

"For me personally, I'm treading water," Ms. Flowers said. "I was at a point in my life when I was able to start saving for retirement. Now I'm going to have to work a little longer."

Marco Manzie, president of Paramount Hospitality Management, which runs five hotel properties in Orlando, said he is seeing demand pick up. Bookings rose sharply around the last two weeks of December, when Mr. Manzie said the company's hotels surpassed 85% occupancy. After an early winter slowdown, bookings look strong for April and May.

"I think we're going to be surprised this year," Mr. Manzie said. "We're finally taking a step back and saying, 'Hey, we see a real shining light of recovery here.'"

—Anthony DeBarros contributed to this article.

## Politics Is Now Part of The CEO Job

Continued from page B1

Now, business leaders are facing new pressures from progressive activists to prove that those commitments were more than just talk. As activists press companies to condemn new voting legislation, CEOs are again finding themselves walking a difficult line on emotional, political issues, risking blowback from all sides.

CEOs "put themselves on this path" by engaging on social issues in response to their employees and partly as a form of marketing, says Harris Diamond, former chief executive of ad giant McCann Worldgroup. "Once you open up that door, you have to live by it."

The recent contentious fight over a Republican-led voting law in Georgia has illustrated the challenges. Civil-rights activists pressured Delta and Coca-Cola to take public stands against the law, which the groups have called restrictive and racist. Some of the companies' employees echoed those concerns.

After an initially muted public response, CEOs at both companies, which said they had been lobbying lawmakers behind the scenes, ultimately spoke out against the law.

In the end, their statements came too late to please many activists on the left and angered many on the right. Georgia House members voted to revoke a tax break for Delta, though the effort didn't go further before the legislature adjourned last week. Senate Minority Leader Mitch McConnell threatened "serious consequences" for companies before he later tempered his stance. The companies found themselves in the position of facing boycott calls from critics on both sides.

"You're walking a very treacherous line when you get involved in highly charged, emotional, political issues," said Ken Langone, the billionaire co-founder of Home Depot Inc., another Atlanta company. Though Home Depot issued a statement in support of access to voting, it hasn't experienced the same backlash that Delta and Coca-Cola have. Mr. Langone, now retired, praised the company's approach and said its statement simply outlined what it has done to encourage voter registration, without rhetoric.

"Keep in mind: If America is about as evenly divided as it appears it is, you're going to piss off one side or the other side with your customers, and they're about equal," Mr. Langone said.

The pressure on companies in recent years has largely come from groups on the left and has focused on issues such as racial justice, LGBT rights and the environment. Because many big multinational companies have tended to align themselves with liberal causes, pro-

gressive activists have been able to leverage the companies' past statements in pressing them to take further stands on these issues.

Lawmakers and groups on the right have also called for consumer boycotts against companies—former President Donald Trump last week urged supporters to boycott Delta, Coca-Cola and other companies that spoke out against the Georgia voting law, and has previously called on supporters to boycott companies like Goodyear and Macy's. But boycotts, which rely on consumers to change their habits, haven't always been effective.

The Georgia disputes have set the stage for more corporate clashes with legislators. Texas legislators are considering their own bill that would affect voting rules—something business leaders including Merck & Co. CEO Kenneth Frazier and Dell Technologies founder Michael Dell have said they oppose.

Earlier this week, the Arkansas legislature overrode the governor's veto to make the state the first to outlaw gender-transition treatment for children. Companies including Mars Inc., Nestlé USA and Unilever PLC, whose brands range from Dove soap to Hellmann's mayonnaise, publicly decried the legislation, along with bills in other state legislatures that they said discriminated against the LGBT community.

### A new CEO playbook

To anticipate political flashpoints, many corporate leaders say they have developed informal networks of executives, counseling each other on when and how to respond to contentious social issues. Bill George, former chairman and CEO of Medtronic PLC and now a senior fellow at Harvard Business School, said he coaches new CEOs in such sessions, running them through scenarios and questions in which they have to rattle off, point blank, their policies on such issues as combating climate change and promoting racial justice.

"It's a new world, and you have to have a new type of CEO," he said, adding that in the past, most CEOs just wanted to run a profitable business. "If you look at the typical CEO's preparation, there's nothing in their background that prepares them for these types of activities."

Staying quiet carries its own risks for companies. Michael Leven, a former president of Las Vegas Sands Corp. who has also led several Georgia companies and organizations, said that for Delta and Coca-Cola, waiting to speak out against the Georgia law was a mistake. "That's the worst thing that could possibly happen, because then you're looking at being reactive as opposed to proactive," he said. "Coming out after the protests shows an enormous weakness."

According to a 2020 survey of 8,000 consumers by public-relations giant Edelman, about 63% said they choose, switch to, avoid, or boycott a brand based on its stand on social issues. And in a more recent Edelman poll of 33,000 consumers, 86% said they expect CEOs to publicly speak out on social issues, while 68% said companies should step in when

the government fails to fix social ills.

Another increasingly vocal constituency: companies' employees. Mr. George said the position of employees at many companies with younger workforces is, "I'm not sure I want to work here unless you have a stance on this."

Some business leaders say they have avoided taking political stands because their workforces have diverse points of view. Jim McCann, founder and chairman of 1-800-Flowers.com Inc., said his company doesn't speak out on such issues because it has workers in 40 states who span the political spectrum.

"I don't think we have any particular right or permission to impose our point of view on our team or to suppose that our point of view is how all our team members feel," said Mr. McCann, who was CEO until 2016. He said the company promotes respectful discourse.

Some Delta employees voiced frustration with the company's initial response to the Georgia voting law. In a video message to employees last week, Chief Executive Ed Bastian said, "I know many of you are disappointed, frustrated and angry that we did not take a stronger public stand against specific measures in the bill." He said Delta had worked behind the scenes to lobby lawmakers, and that if it had publicly denounced the bill too early, it would have cost the company politi-

### 'You're walking a very treacherous line when you get involved in highly charged... issues'

cal influence: "We would have lost a seat at the table," he said.

Companies pushed to remove initial provisions of the bill that ultimately were not included, including the elimination of early Sunday voting, according to people familiar with their lobbying. They opted not to fight a ban on non-poll workers handing out food or water within a certain distance from voting lines, since poll workers can still give water and the companies felt they had limited political capital to spend.



Ursula Burns, the former CEO of Xerox, was one of 72 Black business leaders to sign an open letter protesting the Georgia voting law.

Still, the law as passed was denounced by activists and many Democrats, who say it will disproportionately affect Black voters. President Biden last week described the law as "Jim Crow in the 21st century." Republican legislators in Georgia have said that this rhetoric is hyperbolic and that the new rules were needed, in part to assure the public that voting is fair and to ease concerns there might have been fraud this past election season. No court or legislative body has found evidence of widespread voter fraud.

Some Black business leaders have been vocal in opposing the Georgia voting law. Ursula Burns, the former CEO of Xerox Holdings Corp. and a board member at Uber Technologies Inc., Nestlé SA and Exxon Mobil Corp., was among 72 Black executives to sign an open letter protesting the law and calling for companies to oppose similar legislation. She said she understood the delicate calculus and potential repercussions business leaders must weigh in taking a position on such a politically charged issue.

Still, she added: "I literally wouldn't have been able to go to sleep and wake up the next day and feel comfortable I do business in a state that literally says to a person who looks like me, 'I'm going to make it as hard as I legally can to make it for you to be able to vote.'"

### Bracing for future fights

As CEO Doug Parker and other executives at Fort Worth-based American Airlines Group Inc. watched the fallout mount in Georgia, they began to hear from employees about the issue, and considered what to do about proposed legislation in the Texas Senate, according to people familiar with the deliberations. The airline's leadership team expected that speaking out on voting restrictions in Texas could alienate many state officials and consumers, but felt it needed to speak given its large size and diverse workforce and customer base, the people said. Executives ran the final statement by an internal diversity and inclusion group for additional guidance, according to the people familiar with American's deliberations.

Hours after the Texas Senate passed its voting bill, which is expected to be debated soon by the Texas House of Representatives, American said it was "strongly opposed to this bill and others like it." Texas Lt. Gov. Dan Patrick struck back against the criticism during a news conference.

"Senate Bill 7 is about voter security, not voter suppression, and I'm tired of the lies and the nest of liars that continue to repeat them," Mr. Patrick said. He accused the airline's leaders of not heeding the bill.

"Of course we read the bill," an American spokeswoman said. "It really is hard to take a middle ground. One, the world won't let you, and two, it doesn't really serve anyone trying to cater to both sides," said an American senior executive.

—Te-Ping Chen and Emily Glazer contributed to this article.