



PAID SICK LEAVE

ERIC Strategy Session - September 27, 2016



PARTICIPATION PROCEDURE

- Audio Participation:
 - Audience will be in a “listen-only” mode
 - If you wish to ask a question or make a comment, please press *6 on your telephone to “un-mute” your telephone
 - After speaking, please press *6 again to re-enter “listen-only” mode
- Webinar Participation:
 - Questions may be submitted by clicking on the “Q&A” button at the top of your screen

If you experience technical difficulties,
please call 202-789-1400 or email Tani Linville at tlinville@eric.org for assistance.

ERIC'S ANTITRUST POLICY

As a reminder, all ERIC meetings and activities are to be conducted in full compliance with the ERIC Antitrust Policy. The antitrust laws prohibit competitors from agreeing on prices to be charged or otherwise taking steps that harm free and fair competition among them. While ERIC's primary mission and activities are entirely consistent with the antitrust laws, if you have any concerns about a particular topic or discussion, please raise it with ERIC staff.

AGENDA

- Goals for webinar
- Paid leave policy discussion
- Policy solution discussion
- Advocacy strategy discussion
- Next Steps

****THIS WEBINAR IS INTENDED TO BE INTERACTIVE, PLEASE FEEL FREE TO ASK QUESTIONS THROUGHOUT THE PRESENTATION****

TODAY'S WEBINAR GOALS

- **Identify and prioritize critical policy issues related to paid sick leave**
 - What are the important things to make uniform? What is the priority order of these issues?
- **Discuss and evaluate possible policy solutions**
 - What policy changes should we advocate for to address the issues above?
- **Discuss advocacy approaches**
 - Federal, state, and local

IDENTIFYING THE ISSUES – WHAT TO MAKE UNIFORM?

- **Leave accrual**
- **Amount of leave** (baseline requirement)
 - Hourly
 - Salaried
- **Record-keeping** (how long? What details? Even if you offer unlimited PTO?)
- **Reporting** (to agencies)
- **Employee certification** (documenting reason for leave)
- **Notice requirements** (to employee)
- **Administration/Enforcement** (which agencies?)
- **Penalties/Remedies**

CALIFORNIA & FEDERAL CONTRACTOR PAID SICK LEAVE REQUIREMENTS

	California	Federal Contractors
Leave Accrual	<p>In general, the minimum requirements under the law are that an employer must provide at least 24 hours or three days of paid sick leave per year.</p> <p>The law provides three options for providing sick leave: the accrual method, the lump-sum method or a hybrid of the accrual method.</p> <p>The law also allows certain plans to be “grandfathered,” if the policy existed prior to Jan. 1, 2015.</p> <p><u>Note:</u> A paid time off (PTO) plan that employees may use for the same purposes of paid sick leave, and that complies with all applicable minimum requirements of the new law, may continue to be used.</p>	<p>Employees would accrue 1 hour of paid sick leave for every 30 hours worked, up to 56 hours (7 days) in a year or at any point in time.</p> <p><u>Note:</u> A contractor's existing paid time off policy could fulfill the EO's paid sick leave obligations, as long as the policy provided employees with at least the same rights and benefits as the NPRM requires (for example, employees would have at least 56 hours of leave per year, could use the time for the same reasons, and would receive the same pay and benefits they would have been entitled to if they had been working).</p>
Amount of Leave	<p>California's paid sick leave law requires employers to provide eligible employees with 24 hours or three days of paid sick leave per year starting July 1, 2015 (assuming 8-hour shifts). An eligible employee is an employee (exempt or non-exempt) who works in California for 30 or more days within a year from the date of hire.</p>	<p>The NPRM provides that contractors may limit the amount of paid sick leave employees may accrue to 56 hours each year and must permit employees to carry over accrued, unused paid sick leave from one year to the next. The Department also proposes to allow contractors to limit the amount of paid sick leave employees have accrued to 56 hours at any point in time. Furthermore, under the proposal, contractors will be required to reinstate employees' accrued, unused paid sick leave if the employees are rehired by the same contractor or a successor contractor within 12 months after a job separation.</p>

CALIFORNIA & FEDERAL CONTRACTOR PAID SICK LEAVE REQUIREMENTS (CONT.)

	California	Federal Contractors
Recordkeeping	Employers must retain records showing how many hours the employee earned and used for three years.	Contractors and covered subcontractors must maintain records during the course of covered contracts and for three years thereafter.
Employee Certification	The law states that an employer is not obligated to inquire into, or record, the purposes for which an employee uses paid sick leave or paid time off.	<p>Employers could require that employees using paid sick leave provide certification from a health care provider (or documentation from another source, if the leave is for purposes related to domestic violence, sexual assault or stalking) of the employees' need for leave if they use three or more days of leave consecutively.</p> <p>A contractor would be required to communicate any denial of a request to use paid sick leave in writing, with an explanation for the denial.</p>
Notice Requirements	<p>Employers must provide written notice to employees of the company's sick policy at the time of hire. Pay stubs, or a document issued the same day as the employee's paycheck, must now show the number of available sick days.</p> <p>Although the new law requires that employers separately track sick leave accrual and use, for employers with unlimited paid time off plans, the notice, itemized pay stub or separate written statement provided with the payment of wages meets this requirement by indicating the paid sick leave is "unlimited".</p>	<p>The proposed rule would require employers to provide employees with written notifications of the amount of paid sick leave that the employee has accrued, but not used:</p> <ul style="list-style-type: none"> • No less than monthly, • At any time when the employee makes a request to use paid sick leave, • Upon the employee's request for such information, but no more often than once a week, • Upon separation from employment, and • Upon reinstatement of paid sick leave in the event of rehire.

PRIORITIZING THE ISSUES – WHAT'S THE BIGGEST PROBLEM?

- Are there additional paid sick leave policy issues not listed below?
- What is the priority of these issues?
 - Leave accrual
 - Amount of leave
 - Recordkeeping
 - Reporting
 - Employee certification
 - Notice requirements
 - Administration/Enforcement
 - Penalties/Remedies
- Related issues to consider:
 - Kin care
 - Paid disability leave requirements (e.g., California, proposed federal bills)

SETTING STANDARDS & DEVELOPING SOLUTIONS

- Preference: No Mandates
- Assuming there are requirements, what would you like to see?
 - Same as federal contractor standards?
 - Permitting unlimited PTO to satisfy all requirements?
 - State preemption of local ordinances?
 - Issue-specific model language? (e.g., accrual, recordkeeping, etc.)
 - Other options?

DEVELOPING AN ADVOCACY STRATEGY

- Is there a federal solution?
 - Likelihood of passage? Timeline?
- State Focus
 - Model legislation
- Partnership Opportunities with State Groups
 - State-level organizations
 - Member representatives in the states?

NEXT STEPS

- Recap
- October 19th ERIC Board Meeting
- What to expect going forward (follow-up)
- Questions?
 - Please call or email Allie at 202-627-1925 or awils@eric.org