



POSITION STATEMENT

Paid Sick Leave Laws

TENETS FOR EQUITABLE AND ADMINISTRABLE PAID SICK LEAVE BENEFITS

Large employers want paid leave to be simple, fair and benefit the well-being of employees and their families.

Recognizing the value of paid leave in recruiting and retaining talent, improving employee health, morale and productivity, and demonstrating their corporate social responsibility, many large employers offer generous benefits beyond state and local mandates; however, the proliferation of diverse, intricate and difficult to administer state and local leave laws is restricting innovative leave plan design, creating unfair disparities within workforces, impairing the employee experience and requiring expensive IT and administration modifications.

The following tenets are intended to build a foundation that fosters sound workplace policies and practices.

1. MAKE IT EASY FOR EMPLOYERS WITH GENEROUS BENEFITS TO BE IN COMPLIANCE

Include a provision for employers with leave benefits to be deemed in compliance (including employers who offer unlimited leave). Employers with leave benefits that meet or exceed the requirements of the law should be deemed compliant without any additional requirements.

2. INVOLVE STAKEHOLDERS

Consult with employers, architects of IT systems (e.g., HRIS and time and attendance systems), and other stakeholders during the development of a proposal to identify costs, benefits and feasibility of administration.

3. PREEMPT LOCALITIES

Enact a state law that expressly preempts localities from setting employment conditions that differ from the state.

EXAMPLES: [Georgia's state law](#) preempted local paid sick leave and [New Jersey's state law](#) preempted local paid sick leave and created a statewide standard.

4. HARMONIZE REQUIREMENTS WITH EXISTING LAWS

Consider using the most common requirements in existing laws (i.e. accrue 1 hour/30 worked up to 40 hours annually with up to a 40-hour carryover, or alternatively frontload 40 annually and forgo the carryover requirement).

THE ISSUE: When one locality extends 1 hour of sick leave per 30 hours worked and another offers 1 hour of sick leave per 35 hours worked, it creates an administrative burden and inequality across an employer's workforce.

Follow existing federal legal standards for record keeping requirements (three years under the Age Discrimination in Employee Act) and family member definitions (Family and Medical Leave Act).

Grant employers the authority to designate time as paid sick leave. If the employee's absence is covered by paid sick leave and another type of leave, employers should be able to require that they run concurrently.

THE ISSUE: In NJ, where employers were not granted the ability to designate time off as paid sick leave, employers have experienced an increase in unplanned absences.

5. MAINTAIN EMPLOYER FLEXIBILITY TO REDUCE THE ADMINISTRATIVE BURDEN AND SIMPLIFY THE EMPLOYEE EXPERIENCE

THE ISSUE: Employers and employees benefit when sick leave practices align with similar benefits.

Specifically, allow employers to determine:

SICK LEAVE ACCRUAL

Allow employers to align sick leave accrual rates with other benefit accrual rates.

- If accrual rates are imposed, do not require different accrual rates and use limits for employers who offer PTO rather than traditional leave programs with separate allotments for vacation and sick leave.

MINIMUM INCREMENT OF SICK LEAVE USE

Allow employers to align use increments with current HR systems and policies.

DOCUMENTATION REQUIREMENTS FOR SICK LEAVE USE

Allow employers to use existing internal policies to determine how sick leave use is documented.

THE ISSUE: For example, an employer offering the use of vacation leave for paid sick time needs to create a new absence code solely for compliance purposes.

ELIGIBILITY

Allow employers to use existing internal policies and match similar benefits when determining eligibility.

- Exclude temporary/seasonal employees.
- Include only those employees where the locality is the employee's primary work location.

NOTIFICATION OF AVAILABLE LEAVE BALANCES

Allow employers to use existing internal policies to determine how employees are notified of available sick leave balances.

THE ISSUE: Requiring a specific tracking and notification method creates an unnecessary burden for employers to overhaul existing procedures and causes confusion for employees, as the process of notification and checking sick leave balances then differs from other similar benefits.

LEAVE CARRYOVER

Forgo carryover requirements for businesses who elect to frontload paid sick time.

- If carryover is required, harmonize the limit with other existing laws.

REINSTATEMENT OF SICK LEAVE

Allow employers to use existing internal policies for similar benefits.

CALCULATION FOR EMPLOYEES PAID BY COMMISSION

Exclude commission pay and/or allow employers to set reasonable rates.

THE ISSUE: Short term absences associated with paid sick time do not typically impact commission earnings; incorporating commission pay is onerous and typically a manual effort resulting in the commission-eligible employees receiving more pay for a paid sick day than a day worked.

CALCULATION FOR PAY RATE

Allow employers to use existing internal policies to calculate paid time.