Healthy Workplaces, Healthy Families Act of 2014 (as amended)

Overview of California's Paid Sick Leave Law

Effective July 1, 2015, every full- and part-time employee who works for the same employer in California, for at least 30 days within a year, is entitled to accrue paid sick leave after 90 days of employment. All employers must provide a minimum of 24 hours or 3 days of paid sick time to current and new employees annually.

Sick Time Accrual

Accrual begins on the first day of employment or, July 1, 2015, whichever is later.

Annual paid sick leave is to be accrued for a total of 24 hours, or three days.

Paid sick time may be accrued by any of the following methods:

- 1. At the rate of not less than one hour per every 30 hours worked. An employee exempt from overtime is deemed to work 40 hours per week unless that employee's normal workweek is less than 40 hours.
- 2. Employers may choose a different accrual method as long as the differing accrual method is on a regular basis, so that an employee has no less than 24 hours of accrued paid sick leave or paid time off by the 120th calendar day of employment, or each calendar year, or in each 12 month period.
- 3. An employer may fulfill the paid sick leave requirement by providing employees with the 24 hours or 3 days of sick leave "up front" at the beginning of each year of employment, calendar year, or 12 month period.
- 4. If an employer has a paid time off (PTO) plan, it is not required to provide additional paid sick leave if:
 - 1. Employer must provide a minimum of 24 hours or 3 days of paid sick leave per year
 - 2. Employer must meet the accrual, carryover, and use requirements as outlined in this law

An employer must allow carryover of unused sick leave to the following year, but may limit an employee's total accrual to no more than 48 hours or six days.

Calculate Sick Time Pay

Varying methods may be used to calculate the amount to be paid for sick leave taken:

- 1. For non-exempt employees:
 - a. Calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.
 - b. Calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.
- 2. For exempt employees:

Paid sick leave is to be calculated in the same way other forms of paid leave are calculated.

Use of Sick Time

An employer may limit an employee's use of paid sick leave to 24 hours or three days each year.

An employer may restrict the use of sick time to a reasonable minimum increment, not to exceed two hours.

An employee is authorized to use paid sick time for medical and preventative care for the employee or a family member, which is defined as a child (biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands "in the place of a parent", and regardless of age or dependency status), spouse, registered domestic partner, parent (biological, adoptive, foster, step, a person who stood "in the place of a parent" when the employee was a minor child or legal guardian of the employee), grandparent, grandchild, or sibling.

An employee is authorized to use paid sick time if they are attempting to obtain relief if they are a victim of domestic violence, sexual assault or stalking.

An employer is required to provide paid sick days upon the oral or written request of the employee. If the employee has a foreseeable sick time need, he or she should provide reasonable advance notice to the employer. If the need is unforeseeable, the employee shall request the use of sick time as soon as is practicable.

An employer may not require an employee to find a replacement to cover the time while he or she is out on paid sick time.

Additional Information

Employers must keep records documenting all employees' hours worked and paid sick days accrued and used for three years.

Employers may choose to provide greater sick leave benefits.

An employer must provide sick leave payment no later than the following payday of the next regular payroll period.

The law does not preempt local regulations that provide for greater accrual or use of sick leave by employees. Employers should review local ordinances for any sick leave requirements.

Employee Notification Requirements

Section 2810.5 of the Labor Code is amended to add a provision about paid sick leave; a notice of this portion of the Labor Code must be provided by employers to employees at the time of hiring and given to existing employees no later than July 8, 2015. For more information on Section 2810.5 click HERE.

An employer must display a poster in a conspicuous location regarding paid sick time.

The California Optometric Association (COA) makes available the new sick leave poster plus the 16 other federal and state required workplace posters at a members-only substantial discount. As a bonus, a one-year subscription service is included with a poster purchase that provides updated posters and other notification requirements as they occur – required employment law notices can change any time in a calendar year. To order the required posters from the COA, click HERE, or visit us online at coavision.org.

Further Information

CA Labor Code, Section 245-249, Paid Sick Days:

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml? lawCode=LAB&division=2.&title=&part=1.&chapter=1.&article=1.5.

Deptartment of Industrial Relations - Frequently Asked Questions: <u>http://www.dir.ca.gov/dlse/Paid_Sick_Leave.htm</u>

Note: The above information is provided for informational purposes only. It is not intended to replace the professional advice of legal counsel.



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