

# The Healthy Families Act

January 29, 2016

### Fact Sheet for Businesses Zoe Ziliak Michel

For workers, paid time to recover from illness, care for a sick loved one, or seek preventive health care is essential to health and economic security. But it's not just working families who benefit from paid sick time; businesses also reap the rewards of this policy. Employers report that paid sick time improves their bottom line by reducing employee turnover, boosting productivity, and lifting employee morale.<sup>12</sup>

Recognizing the positive effects for both employers and employees, four states and almost two dozen cities and counties have passed laws requiring employers to provide employees with paid sick time.<sup>3</sup> Already, the businesses in these jurisdictions are seeing the positive outcomes. For example, over 40 percent of Jersey City, New Jersey, employers that changed their paid sick time policies to comply with the city's new ordinance credited the law for increased productivity, higher-quality new hires, and/or reduced turnover.<sup>4</sup>

Unfortunately, despite the well-documented benefits of paid sick time for employees and employers alike, 39 percent of employees in private industry<sup>5</sup>—over 43 million of America's workers—lack access to paid sick time.

A federal paid sick time law is needed so that all workers and employers in the U.S., regardless of where they are located, can enjoy the protection of this basic labor standard. The federal *Healthy Families Act* (HFA) will ensure that all working families can care for their health without risking their income or their jobs and all employers can realize the benefits of this crucial policy.

# Summary of the Healthy Families Act (S. 497, H.R. 932)

The HFA would require all employers to provide employees with job-protected sick time. Employers with at least 15 employees would be required to provide *paid* sick time, while those with fewer than 15 employees would have the option of providing *unpaid* sick time. (The provisions of the law described below apply to both paid and unpaid sick time.)

#### Earned Sick Time Accrual

Under the HFA, employees would earn 1 hour of sick time for every 30 hours worked, beginning from the first day of their employment. Employers would have the option of capping an employee's sick time accrual at 56 hours (7 days) at one time. Unused sick time would carry over from one calendar year to another, though employers could limit the amount of carryover to 56 hours.

A paid time off (PTO) policy combining vacation, sick time, and other types of leave would satisfy the requirements of the act, so long as the policy offered employees time off in the same amount and for the same purposes as outlined in the HFA.



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#### **Use of Earned Sick Time**

Workers could use earned sick time for their own physical or mental illness, injury, or medical condition; to obtain professional medical diagnosis or care, including preventive care; to care for a family member or anyone who is the equivalent of a family member; to attend a child's school meeting or meeting at a place where the child was receiving care necessitated by the child's health condition or disability; or to obtain various types of treatment or assistance (including taking legal action) for themselves or a family member in cases of domestic violence, sexual assault, or stalking.

Employees would be expected to give the employer advance notice of their use of sick time whenever the use was foreseeable. Employers could require employees to provide written certification of their need to use sick time (such as a doctor's note) only when earned sick time was used for more than three consecutive workdays.

#### **Protection from Retaliation**

The HFA would protect workers from retaliation for their use of (or intent to use) sick time. An employer could not discriminate against, discharge, or retaliate against employees for exercising their rights under the HFA, nor could they count the use of sick time against an employee under an absence control policy.

## **Further Resources**

#### **Healthy Families Act**

- U.S. Senate Bill 497
- U.S. House of Representatives Bill 932

#### State and Local Earned Sick Time Laws

- Summaries of state and local earned sick time laws from <u>A Better Balance</u> and the <u>National Partnership</u> for Women and Families
- Official or external audits and reports of effects of implementing earned sick days laws for <u>Oakland</u>, <u>San</u> <u>Francisco</u>, <u>Connecticut</u>, the <u>District of Columbia</u>, <u>Jersey City</u>, <u>New York City</u>, and <u>Seattle</u>

#### **CLASP** Resources

- <u>EnforcingSickDays.org</u>, a one-stop shop for information about earned sick time laws
- <u>HFA Detailed Review for Businesses</u>
- <u>The Business Case for the HFA</u>

<sup>&</sup>lt;sup>1</sup> Jennifer Romich, Wes Bignell, Tracy Brazg, et al., *Implementation and Early Outcomes of the City of Seattle Paid Sick and Safe Time Ordinance*, University of Washington, 2014, <u>http://www.seattle.gov/Documents/Departments/CityAuditor/auditreports/PSSTOUWReportwAppendices.pdf</u>. <sup>2</sup> Eileen Appelbaum, Ruth Milkman, Luke Elliott, and Teresa Kroeger, *Good for Business? Connecticut's Paid Sick Leave Law*, Center for Economic

and Policy Research, 2014, http://cepr.net/documents/good-for-buisness-2014-02-21.pdf.



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<sup>3</sup> A Better Balance, Overview of Paid Sick Time Laws in the United States, 2015,

http://www.abetterbalance.org/web/images/stories/Documents/sickdays/factsheet/PSDchart.pdf.

<sup>4</sup> Danielle Lindemann and Dana Britton, *Earned Sick Days in Jersey City: A Study of Employers and Employees at Year One*, Rutgers Center for Women and Work, 2015, <u>http://cww.rutgers.edu/sites/cww.rutgers.edu/files/documents/working\_families/Jersey\_City\_ESD\_Issue\_Brief.pdf</u>.
<sup>5</sup> Bureau of Labor Statistics, "Table 6. National Compensation Survey: Employee Benefits in the United States, March 2015." U.S. Department of Labor, 2015, <u>http://www.bls.gov/news.release/pdf/ebs2.pdf</u>.