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On September 10, 2014, California Governor Jerry Brown signed A.B. 1522 into law. The Healthy Workplaces, Healthy Families Act of 2014 requires employers to accrue paid sick leave for all employees at a rate of at least one hour for every 30 hours worked and allow the use of at least 24 hours of paid sick leave in a calendar year. The law takes effect on July 1, 2015 and does not exclude any employers based on their size.

Current Law

Prior to A.B. 1522, there was no requirement in California for employers to provide paid sick leave for employees.

Employer Requirements

This new enactment applies to all employees that work 30 or more days in a calendar year. There is no minimum number of hours an employee must work to qualify. The requirement does not apply to employees covered by certain valid collective bargaining agreements. The sick leave requirement applies to all employers including local and state government employers. Employees that are exempt from overtime

requirements and work at least 40 hours per week are deemed to work 40 hours per week for purposes of paid sick leave accrual. Paid sick leave must be compensated at the same wage as the employee normally earns during regular work hours.

Paid Sick Leave Accrual

Employees must accrue paid sick leave at a rate of not less than one hour for every 30 hours worked beginning on their first day of work or July 1, 2015, whichever is later. An employee working 40 hours per week will accrue approximately 69.33 hours paid sick leave or approximately 8.66 days of paid sick leave in a calendar year. However, employers may limit the amount of paid sick leave that is carried over to the next calendar year to 24 hours and may limit the maximum accrual in a calendar year to 48 hours.

Employers are not required to provide paid sick leave in excess of any sick leave or paid time off policy currently in place as long as the employer's current policy meets the requirements of the new law. Employers are not required to compensate employees for accrued paid sick leave upon

separation of employment. However, an employee that separates and is rehired within one year must have any accrued paid sick leave reinstated and must be able to use paid sick leave upon rehire. Employers are permitted to allow employees to borrow against paid sick leave that will be accrued.

Using Paid Sick Leave

Employees are entitled to use accrued paid sick leave beginning on the 90th calendar day of employment and may use paid sick leave as it is accrued. Employees must be able to use accrued paid sick leave for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. Employees that are victims or survivors of domestic violence must be able to use accrued paid sick leave for purposes described in California Labor Code Section 230 and 230.1.3 Employers may not require that employees find coverage for their shift or deny the employee the right to use accrued paid sick leave. However, an employer may limit the amount of paid sick leave used by an employee to 24 hours or three days per calendar year. Additionally, employers may not take any action that could be considered retaliation for requesting or using paid sick leave.

Employers are required to provide written notice to each employee of the new paid sick leave requirements in any language spoken by at least 5% of employees and provide postings in the workplace. The Labor Commissioner will create model notices that will be available to employers. The Labor Commission will also enforce these new provisions with penalties and fines to force compliance.

Employer Action

Employers with California employees should review current leave policies to determine if they meet these new requirements and consult with counsel to determine if changes must be made to existing policies and develop needed changes. Employers should also be on the lookout for the model notices and updated postings for the workplace

For a copy of the assembly bill, visit:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB1522

