

KD Alert: Mandatory Sick Pay Reprieve For NYC Employers...For Now!!

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On Friday, June 7, 2013, Mayor Bloomberg vetoed the New York City Council's Earned Sick Time Act. The Council is expected to override the veto. If the Council does so, and the law is enacted, most City employers will have to provide up to forty hours per year of paid sick leave to their employees.

If enacted, the Act's effect on businesses will depend on their size and industry. Businesses with 20 or more employees will have to provide five paid sick days annually to employees, beginning on April 1, 2014. Beginning on October 1, 2015, these requirements will apply to businesses with 15 or more employees. Smaller employers will be exempt from the requirement that the sick leave be paid, as will certain businesses that manufacture products on site (including some bakeries, candy stores and custom tailors).

With minor exceptions, any employee who works more than 80 hours in a calendar year will be eligible for the benefit, even part-timers.

Employees will be permitted to use the sick leave for far more than their own illnesses. For example, they will be able use it to obtain preventative medical care, or to care for a family member who is ill or who needs preventative medical care.

Employers will be required to provide written notice to employees that explains (i) that they are entitled to sick leave under the Act, (ii) how leave is accrued; and (iii) that their employer cannot retaliate against them for using sick time.

Notably, even if the Council overrides the mayor's veto, the Act may not take effect as scheduled. If the City economy does not perform as anticipated, as measured by the New York Coincident Economic Index as of December 16, 2013, the effective dates will be delayed.

If the law is enacted, City employers will have to educate themselves about their new obligations to employees. Leave policies will likely have to be updated, notices will have to be circulated, and managers will have to be trained on employee rights. KD attorneys are monitoring developments on the law and will report if the Council overrides the mayor's veto. If and when the law is enacted, we will be available to assist employers with its requirements.