Paid Sick Leave Picks Up Speed: Los Angeles & San Diego Pass New Laws

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On June 2, 2016, Los Angeles Mayor Eric Garcetti signed an <u>ordinance</u> into law that will entitle eligible employees in L.A. to up to 48 hours of paid sick leave per year. On June 7, San Diego voters approved a similar <u>ordinance</u> that will provide eligible employees with up to 40 hours of paid sick leave per year. Both cities' new laws will require employers operating there to provide more paid sick leave than is required—24 hours per year—under current California state law. (coverage of California's paid sick leave law is available <u>here</u>, <u>here</u>, and <u>here</u>.)

Both ordinances also increased the minimum wage to \$10.50 per hour in 2016, and to increase annually thereafter.

L.A. Ordinance No. 184320

For employers with 26 or more employees, the ordinance takes effect on July 1, 2016, at which point employees must begin accruing or be granted paid sick leave. For employers with 25 or fewer employees, the ordinance takes effect on July 1, 2017. Eligible employees are employees who work 30 or more hours in L.A. within a year of starting their employment. And unlike state law, there are no exceptions for specific classes of employees. Employees will be eligible to use accrued sick leave after their 90th day of employment or July 1, 2016, whichever is later.

Employers may either grant employees all 48 hours of paid sick leave every 12 months or have it accrue in increments of one hour for every 30 hours worked. Accrued but unused paid sick leave must be allowed to carry over to the following year up to 72 hours. Employers do not have to pay out accrued, unused sick leave when an employee separates from the company. But employers do have to reinstate the accrued, unused leave if the employee is rehired within a year.

San Diego Ordinance No. O-20390

San Diego employers must also provide employees with one hour of paid sick leave for every 30 hours worked in the City. The ordinance takes effect January 1, 2017. In addition, while limited to 40 hours per year, employers must allow employees to carry over accrued, unused leave and the

ordinance does not currently include an accrual cap. Employees will be eligible to use accrued sick leave after their 90th day of employment.

An employer who provides an amount of paid leave, including paid time off, paid vacation, or paid personal days off sufficient to meet the paid sick leave requirements, and who allows that paid leave to be used for the same purposes, and under the same conditions as sick leave, is not required to provide additional paid sick leave to employees.

Employers are not required to pay out accrued, unused sick leave at termination. However, they must reinstate the accrued, unused leave if the employee is rehired within six months.

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