## **AB 1522**

## Healthy Workplaces, Healthy Families Act 2014 Implementation

## **Work Group:**

James Czaja, Vice President, Human Resources
Cynthia Hoover, Director, HR Operations and Employee Services
Richard Lee, Director, Payroll

## Specifics of the law:

1) An employee who works for 30 or more days within a year from the commencement of employment is entitled to paid sick days.

Comments: It would be burdensome to have to monitor which employees have worked 30 days within a year of being hired, and are therefore eligible for paid sick leave. Banner cannot activate an employee's eligibility for a particular leave based on a count of the number of days worked. This would have to be tracked manually.

Decision: All employees shall accrue paid sick leave regardless of the number of days worked within a year of being hired.

2) An employee shall accrue paid sick days at the rate of not less than one (1) hour per every 30 hours worked, beginning at the commencement of employment or July 1, 2015, whichever is later.

Comments: Banner can handle this accrual method (as long as it is prorated).

Decision: Sick leave will be accrued on the prorated basis of 1 hour for every 30 hours worked.

Example: 45 hrs worked = 1.5 hrs of accrued sick leave

3) An employee shall be entitled to use accrued paid sick days beginning on the 90<sup>th</sup> day of employment, after which day the employee may use paid sick days as they are accrued.

Comments: Banner has the capability to "activate" paid sick leave based on the number of days or months after the Current Hire Date, Original Hire Date, Adjusted Service Date or Seniority Date. However, since the District "rehires" employees on frequent basis, it may be advisable to use the Original Hire Date as opposed to the Current Hire Date for the usage rules. But it would also be advisable to not have a waiting period at all.

Decision: Employees do <u>not</u> need to wait 90 days after their date of hire in order to use accrued sick leave. However, they must earn the leave before they can use it.

- 4) Accrued paid sick days shall carry over to the following year of employment. However, an employer may limit an employee's use of paid sick days to 24 hours or three (3) days in each year of employment. This section shall be satisfied and no accrual carry over is required if the full amount of leave is received at the beginning of each year, in accordance with a) and b) below.
  - a) An employer is not required to provide additional paid sick days if their policy satisfies the accrual, carry over, and use requirements.
  - b) The leave policy provides no less than 24 hours or three (3) days of paid sick leave for use in each year of employment, calendar year or 12-month basis.

Comments: It would not be advisable to enact a policy of providing the 24 hours of paid sick leave at the beginning of each year. While Banner can accrue leave up front (ex. Full-time faculty accrue 10 days each August), it can only do so at a specified time (ex. August 31<sup>st</sup>). Since employees are hired throughout the year, Banner would not be able to accrue the leave up front, because you can only select one month out of the year to do so.

Decision: Usage of accrued sick leave will <u>not</u> be limited to three (3) days per year. Usage will be limited to an employee's available accrued sick leave balance. Accrued sick leave will be carried over from year to year but will be limited to a maximum balance of 48 hours (6 days).

5) An employer is not required to provide compensation to an employee for accrued, unused paid sick days upon termination, resignation, retirement or other separation from employment. However, an employee that is rehired by the employer within one (1) year from the date of separation, shall have their previously accrued and unused paid sick days reinstated and available to use upon rehire.

Comments: We currently do not pay off accrued, unused sick leave for any employees. The leave balance remains in Banner unless it is reported to CalPERS or CalSTRS for service credit upon retirement. It is unclear at this point if this particular sick leave is reportable for service credit to either retirement system.

Decision: Unused sick leave will <u>not</u> be paid off upon separation from employment. The unused sick leave will be reinstated upon rehire within one (1) year of separation.

6) An employer may lend paid sick days to an employee in advance of accrual, at the employer's discretion and with proper documentation.

Comments: This is not a requirement, only an option.

Decision: The District will <u>not</u> lend sick leave to employees.

7) An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available on either the employee's itemized wage statement, or in a separate writing provided on the designated pay date with the employee's payment of wages.

Comments: We currently display various leave balances on pay stubs.

Decision: Employees' sick leave balances will be displayed on their pay stubs.

8) An employer has no obligation to allow an employee's total accrual of paid sick leave to exceed 48 hours or six (6) days, provided that an employee's rights to accrue and use paid sick leave are not otherwise limited.

Comments: Although sick leave <u>usage</u> can be limited to a maximum of 24 hours or 3 days per year, the total <u>accrual</u> of paid sick leave can be limited to 48 hours or six (6) days. Banner does <u>not</u> have the capability to limit the usage of a leave to anything other than the available current balance. Banner <u>does</u> have the capability to set a "maximum limit of current balance". Any limit on annual usage other than the available current balance would require manual tracking of employee usage.

Decision: Accrued sick leave will be limited to a maximum balance of 48 hours (6 days). Usage will limited to an employee's available sick leave balance.

9) An employee may determine how much paid sick leave to use, provided that an employer may set reasonable minimum increment, not to exceed two (2) hours, for the use of paid sick leave.

Comments: The District currently reports all hours worked and all hours for which leave is taken in quarter hour increments.

Decision: The minimum usage increment will be one (1) hour and all leave must be reported in whole hour increments.