Earned Paid Sick Leave

Description of the policy and how it works in practice

Earned paid sick leave policies require that employers provide paid time off. Usually, this time off is accrued based on time worked and can be used by employees who are ill or caring for an ill family member. These laws or policies may apply to all employers or to employers with employees above a predetermined cap.

Paid sick leave is shown to reduce the transmission of COVID-19 and other communicable diseases in the workplace.55 Paid sick leave also has the potential to improve health indicators and outcomes due to improved access and capacity to take advantage of preventive screenings and care. Studies indicate that workers without paid sick leave are 1.6 times more likely to forgo medical care for their family and three times more likely to avoid medical care for themselves.[56]

Health Impact

Paid sick leave improves health for all workers and their families by encouraging the use of preventive care and reducing the spread of communicable diseases.

Feasibility

Earned paid sick time can be implemented at the state, county, or local level. Some local jurisdictions with earned sick leave policies include Chicago, IL, Bloomington, MN, and Montgomery County, MD. It has also been implemented in states such as Arizona, California,

Colorado, Connecticut, Illinois, Maine and Maryland.[57] However, some states prohibit local jurisdictions from enacting their own paid sick leave requirements, these include:[58]

- Alabama (2014)
- Florida (2013)
- Arkansas (2017)
- Georgia (2004)
- Mississippi (2013)
- Missouri (2015)
- Maine (2019)
- North Dakota (2021)
- Wisconsin (2011)
- Michigan (2015)
- Rhode Island (2017)
- Oregon (2015)
- Iowa (2017)
- Indiana (2013)
- Ohio (2016)
- New Jersey (2018)
- Kentucky (2017)
- Tennessee (2013)
- North Carolina (2016)
- South Carolina (2017)
- Oklahoma (2014)
- Louisiana (2012)
- Texas (2023)
- Maryland (2018)
- Kansas (2013)

Preemption and a statewide standard can operate together. In several states on this list, including Maine, Maryland, Michigan, New Jersey, Oregon, and Rhode Island, a statewide paid sick leave law sets a single floor for all workers while state law bars cities and counties from adopting their own, often stronger, ordinances. Advocacy in those states runs through the legislature rather than city hall.

There has been some opposition to paid sick leave laws mainly from various chambers of commerce and business associations regarding the additional cost. Some groups that have opposed Chicago's paid sick leave policy (discussed below) include the Illinois Restaurant Association, the Chicagoland Chamber of Commerce, the Illinois Hotel and Lodging Association and a group of Black Chicago restaurant owners. The Black restaurant owners in Chicago have expressed that they are severely under resourced compared to white restaurant owners and, therefore, do not have the fiscal capacity to maintain current staffing levels and the required PSL policies. It is also well documented that Black-owned businesses disproportionately hire Black employees. This could potentially lead to reduced Black employment.

Overview of the policy's impact on Black health and racial equity

Paid sick leave isn't distributed evenly across the workforce. Workers in service, production, construction, maintenance, and transportation roles—especially those in the private sector, at smaller companies,or with less job tenure—are much less likely to have access to paid sick leave than their counterparts in management or professional

positions.[59, 60] Part-time employees are also at a disadvantage, and since women are more likely to hold low-wage or part-time jobs, they're disproportionately affected by a lack of paid leave.[60]

Access tends to improve as companies get larger and as employees stay longer, but many still fall through the cracks. For example, Fedewa and colleagues (2017) found that 40% of workers eligible for crucial cancer screenings like cervical, breast, and colorectal are employed by small businesses, which often hire people with lower socioeconomic status.[59] These workers face additional barriers to getting screened that go beyond lack of insurance.

Racial disparities are also stark. Paid sick leave policies overwhelmingly benefit higher-paid white workers, while only about half of Black and Latina workers have access to these benefits. The stakes are especially high for women of color As of 2017, 84.4% of Black mothers were the primary or sole breadwinners for their families, and Black women make up 40% of all family caregivers. Without paid sick leave, many women of color are forced to leave the workforce to care for their families, highlighting just how urgent it is to improve access for historically marginalized workers.[61, 62]

Summary information from policy assessment

- **Policy status**
  Paid sick leave policies have been implemented across several states and cities.[57]

- **Jurisdiction authority**
  States, counties and local governments have jurisdictional authority to implement earned and paid sick leave policies.

- **Resource requirements**
  There is a low cost to governments to enact these earned sick leave policies. However, depending on the size of the employer, there may be a moderate to high relative cost of implementation. This means that smaller employers will pay a higher share of revenue toward earned paid sick leave benefits when compared to larger employers.

- **Return on investment**
  The ROI from paid sick leave mainly comes from lower turnover rates and higher productivity. The dollar-value ROI varies by industry, with tech companies experiencing a $2.64 ROI for every $1 invested, whereas manufacturing experienced a $2.57 return.[63] Paid sick leave saved employers between $0.63 and $1.88 billion per year in influenza-like illness-related absenteeism cost from 2007 to 2014 (in 2016 dollars).[64]

- **Legal considerations**
  Some states prohibit local jurisdictions from implementing their own paid sick leave requirements.

- **Strength of evidence**
  There is a strong body of evidence that demonstrates the health and economic benefits of earned paid sick leave.

- **Equity**
  YES

- **Operational approach to equity**
  Earned paid sick leave policies address equity at a structural level by ensuring that all workers have access to the same opportunities for caring for themselves and loved ones regardless of the classification of employment i.e., white collar vs. blue collar.

Examples of the successful implementation of the policy in Black communities

Chicago

Chicago City Council enacted the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance to be implemented beginning July 1, 2024. This ordinance outlines paid time off requirements for general PTO and sick leave for employers. Any employee that works at least 80 hours within any 120-day period is eligible for both PTO and PSL. This policy applies to day laborers regardless of their immigration status. PSL accrues at a rate of one hour for every 35 hours worked.[65]

Employees are eligible to use the accrued PSL no later than 30 days after beginning employment. PSL may be for care and recovery of the employee or the care of the employee's family member. Eligible circumstances include:[66]

- Illness or injury that requires professional care, including preventive care, diagnosis or treatment of medical, mental or behavioral issues, including substance abuse disorders.
- Victims of domestic violence, sexual assault or stalking.
- School, class or place of care closure due to a public health emergency.
- Requiring isolation or quarantine to minimize the transmission of a communicable disease.

Some Black owned business owners have expressed opposition to earned and paid sick leave policies because they are under resourced when compared to their white business owner counterparts. As such, it would be more of a financial burden to implement these policies resulting in potential closures and layoffs.