



Philadelphia Paid Sick Leave Law Effective May 13, 2015

Joining the growing trend among cities and states, Philadelphia has enacted a Paid Sick Leave Law, requiring that most Philadelphia employers provide paid sick leave to their employees. The law takes effect May 13, 2015.

Eligibility

The law applies to all employers with employees in Philadelphia. Employers with fewer than 10 covered employees do not have to provide paid sick leave, but must allow employees to take similar amounts of unpaid leave. Covered employees are defined as those who work at least 40 hours annually in Philadelphia. Certain workers, such as independent contractors, temporary employees hired for less than six months, interns, and adjunct professors are excluded.

Leave Accrual and Carryover

Under the new law:

- Eligible employees will be entitled to begin accruing sick time immediately upon hire (after May 13, 2015).
- Employees receive one (1) hour of sick leave for every forty (40) hours worked.
- Time accrues in one (1) hour increments.
- Maximum accrual required is forty (40) hours per calendar year, unless the employer sets a higher limit.
- Unless the employer provides at least 40 hours of sick time at the beginning of the year, employees can carry over any unused time to the following year, but the employee is not entitled to take more than 40 hours of sick time in any year.
- Employers should provide leave based on any 12-month period, such as the anniversary of the employee's hire date.

What Sick Time Can Be Used for

Employees will be able to use accrued sick time for the following reasons:

- An employee's own mental or physical illness, need for a medical diagnosis or treatment, or need for preventive medical care.
- Care for a family member with a mental or physical illness, need for medical diagnosis or treatment, or need for preventive medical care.
- Absence necessary due to domestic abuse, sexual assault, or stalking where the employee wishes to obtain medical attention, services from a victim's service organization, psychological or other counseling, relocation, or legal services, either for himself or herself or a family member.

Note: The law allows an employee to request paid sick leave orally or in writing. If an employee uses sick time for more than two consecutive days, the employer may require reasonable documentation to verify that the sick time is covered by the law.



Notice and Recordkeeping

Employers must distribute individual written notices to all eligible employees regarding their rights under the law **or** display a poster regarding the law in a conspicuous and accessible location in the workplace.

Employers must keep records that document the hours worked by employees and sick time accrued by and taken by the employees. Employers must retain the required records for a two-year period and allow the designated compliance agency reasonable access to such records with appropriate notice.

Next Steps for Employers

- You must comply with these changes by May 13, 2015.
- You should update your employee handbooks with this new policy:
 - If you have not previously offered sick time to employees, you will be required to do so and should create a new policy to comply with these provisions.
 - If you already provide sick time, review your current policies to make sure they comply with the provisions of the new law.
 - If you already provide all employees with sick or paid time off (PTO) benefits that exceed the requirements of the law, you do not need to implement a new policy.
- You must post the new Paid Sick Leave Employment poster, soon to be published by the city.
- You are prohibited from taking adverse action (e.g., disciplinary warnings or negative performance evaluations) against your employees for using accrued sick time.
- You should work with your payroll provider to determine how to comply with the recordkeeping provisions; if HR Knowledge is your payroll provider, please contact your Client Account Manager.
- If you are one of our full-service clients, we will work with you to review your current PTO policies or provide you with sample language to ensure they are compliant with these new regulations. If you have any questions about how this new law interacts with your existing policies or affects your business, please contact us at HR@hrknowledge.com.

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