

Changes to Connecticut's Paid Sick Leave Law Coming Soon

On June 6, Governor Dannel P. Malloy signed into law amendments to Connecticut's Paid Sick Leave Law that fundamentally alter the method of determining covered employer status and the timeframe for accruing paid sick leave. Employers should determine whether the amendments will affect their obligation to provide paid sick leave and consider whether any changes are needed to their existing leave programs to satisfy their compliance obligations when the amended law takes effect on January 1, 2015.

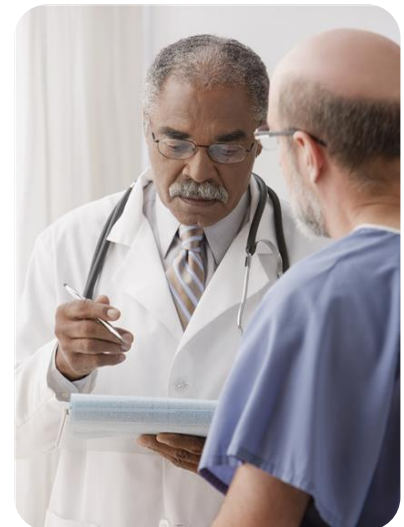
Background

On June 8, 2011, Connecticut became the first state to require private sector employers to provide paid sick leave to their employees, beginning in 2012. (See our [June 29, 2011 For Your Information](#).) Although a growing list of cities and counties across the country have enacted or considered paid sick leave laws since then, until very recently only Connecticut had a statewide mandate in place. (See our [September 24, 2014 For Your Information](#).)

Connecticut's current [paid sick leave law](#) covers certain employers that employ 50 or more employees in the state, and certain service workers (hourly, nonexempt employees who work in specified occupations). The law generally requires covered employers to provide up to 40 hours of paid sick leave per calendar year to eligible service workers. Eligible employees accrue one hour of paid leave for every 40 hours worked during the calendar year and can carry over up to 40 hours of accrued but unused leave from one year to the next. Leave can be used for the employee's illness, injury, or health condition or that of the employee's child or spouse and for reasons relating to family violence or sexual assault.

The Amended Law

On June 6, Governor Dannel P. Malloy signed into law [amendments](#) to Connecticut's Paid Sick Leave Law, effective January 1, 2015. The revisions change the method for determining covered employer status and allow employers that are covered to use a calendar year or other standard benefit



year for purposes of accruing paid sick leave. The amended law also expands coverage to a new category of employees.

Employer Coverage

Currently, employers must determine on January 1 each year whether they will be required to provide paid sick leave or are exempt from the requirement. The determination is based on the employer's quarterly earnings reports submitted to the Connecticut Department of Labor the prior year. If the employer meets the 50-employee threshold during any quarter, it must provide paid sick leave in the following year.

The amended law eliminates the quarterly formula and instead determines whether an employer is covered based on the number of employees on its payroll for the week containing October 1, annually. The amendment expressly prohibits employers from terminating, dismissing, or transferring any employee between worksites to fall below the 50-employee threshold.

Sick Leave Accrual

Under current law, employees accrue one hour of sick leave for every 40 hours worked during a calendar year. Under the amended law, employers will not be restricted to using the calendar year for accrual purposes. Rather, employers will be able to use any 365-day period they use to calculate employee benefits. This change will allow employers to start the paid sick leave benefit year on any date (such as on the employee's anniversary date or the beginning of the employer's fiscal year), and to align the accrual period for paid sick leave with other paid time off policies and timekeeping systems.

Comment. The changes to the accrual method should reduce administrative burdens for covered employers that do not use calendar years for benefit purposes, and currently have to accrue paid sick leave on a different basis than other paid time off.

New Employee Entitlement

The amended law adds radiologic technologists to the list of service workers covered by the paid sick leave law. Health care employers will want to make sure that they accrue benefits for newly eligible employees in this job category beginning in 2015.

In Closing

Changes made by the amended law will be helpful to many employers. With the elimination of the existing quarterly formula, employers that have a fluctuating headcount or that work on a non-calendar year fiscal year in particular will find it easier to determine whether they are covered. Because accruals will no longer have to be made on a calendar year basis, employers will be able to start the paid sick leave benefit year on a date that works best for them.

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