

# One Minute Memo®



## Los Angeles Votes to Enact Paid Sick Leave Policy

*By Elizabeth Levy and Dana Howells*

**Seyfarth Synopsis:** The Los Angeles City Council voted in favor of adopting a paid sick leave ordinance which, if approved, would provide six days of paid sick leave per year, with carry-over of 72 hours. An exemption for small employers was rejected. The City Attorney has been instructed to draft the ordinance, which could go into effect for employers with more than 25 employees early as July 1, 2016.

### The City Council Vote

By a 13-1 vote, on April 19, 2016, the Los Angeles City Council voted in favor of a proposed ordinance that would provide six days of paid sick leave to Los Angeles employees. This is double the amount of paid sick leave already allotted under [California's state-wide sick pay law](#) (i.e., 24 hours/three days), which became effective in 2015.

The City Attorney has been instructed to draft the ordinance within the next few weeks. If the ordinance is drafted on schedule, and if approved by another vote, it would go into effect for employers with more than 25 employees on July 1, 2016. For smaller employers with 25 or fewer employees, it would go into effect July 1, 2017.

If this ordinance is approved, Los Angeles [would join Oakland, San Francisco and Emeryville](#), which have enacted similar sick pay ordinances. In Santa Monica, working group amendments are awaiting a City Council vote on a minimum wage ordinance that includes paid sick leave.

### Sick Leave Under the Proposed Ordinance

Under the proposal, employees who have worked at least 30 days for the same employer within a year would be entitled to paid sick leave. Current employees would start accruing (or be granted sick leave) on July 1, 2016. Employees hired after July 1, 2016, would start accruing (or be granted) sick leave on hire. Employers could provide that new hires may not use sick leave for the first 90 days of employment. The ordinance would allow employees to use paid sick time for themselves and family members.

The proposal provides for an accrual rate of 1 hour of sick leave for every 30 hours worked, similar to the California state-wide law, and the San Francisco, Oakland, and Emeryville ordinances. It appears employers would be able to make a once per year grant of 48 hours to satisfy their obligations under the proposed ordinance.

Under both the California law's accrual method and the Los Angeles proposal, accrued sick leave can be carried over to the following year. Under the Los Angeles proposal, an employee would be able to carry over 72 hours (in contrast to the 48 hour cap under the California law's accrual method). It is not clear yet how the carryover and the 72 hour cap would work, and whether sick leave use could be limited to 48 hours per year.

Like the California law, the Los Angeles ordinance would not require employers to pay out accrued but unused sick days upon termination. Similarly, under both laws, if an employee is rehired within a year, the previously accrued and unused time must be reinstated.

The Los Angeles ordinance would also provide that employers already offering 48 hours of paid time off that can be used for sick, vacation, or personal time would not need to increase the amount of sick time they make available to employees. Optimistically, this could result in a true exemption and not having to change accrual rates, advance notice requirements and other details of existing sick leave and paid time off policies. Pessimistically, the final version of the ordinance could require existing policies to adopt significant changes to comply.

## Takeaway for Employers

Employers with employees in Los Angeles and other California cities that have enacted sick pay leave ordinances should examine their leave policies to ensure that they comply with applicable state law and local regulations.

We will continue to monitor the ordinance and will provide our readers with further information as it becomes available. In the meantime, attorneys in Seyfarth's California Workplace Counseling Solutions group are available to assist and to respond to any questions you may have.

For further information, please contact your Seyfarth attorney, [Debbie Caplan](mailto:dcaplan@seyfarth.com) at [dcaplan@seyfarth.com](mailto:dcaplan@seyfarth.com), [Gaye Hertan](mailto:ghertan@seyfarth.com) at [ghertan@seyfarth.com](mailto:ghertan@seyfarth.com), [Dana Howells](mailto:dhowells@seyfarth.com) at [dhowells@seyfarth.com](mailto:dhowells@seyfarth.com), [Elizabeth Levy](mailto:ellevy@seyfarth.com) at [ellevy@seyfarth.com](mailto:ellevy@seyfarth.com), [Chelsea Mesa](mailto:cmesa@seyfarth.com) at [cmesa@seyfarth.com](mailto:cmesa@seyfarth.com), [Dana Peterson](mailto:dpeterson@seyfarth.com) at [dpeterson@seyfarth.com](mailto:dpeterson@seyfarth.com), [Colleen Regan](mailto:cregan@seyfarth.com) at [cregan@seyfarth.com](mailto:cregan@seyfarth.com), or [Ann Marie Zaletel](mailto:azaletel@seyfarth.com) at [azaletel@seyfarth.com](mailto:azaletel@seyfarth.com).

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