



## WORDS ON WISE MANAGEMENT

### Congress mulls compulsory paid leave

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On April 1, 2014, the New York City “Earned Sick Time Act” went into effect, requiring employers with at least five employees who work at least 80 hours per year in New York City to provide all employees with at least 40 hours of paid sick leave per year. In February 2014, the city council in Newark, New Jersey, passed a paid sick leave ordinance requiring employers with at least 10 workers to provide employees one hour of paid sick leave for every 30 hours they work. You may think that will never happen in Arizona or any of its cities. Think again.

Since March 2013, 13 bills introduced in the House of Representatives or the Senate would require companies to grant paid leave in varying forms and for varying purposes. Two of the bills made it to the opposite chamber. The titles of the bills, including the Healthy Families Act, the Pregnant Workers Fairness Act, the Family and Medical Leave Inclusion Act, the Paid Vacation Act, and the Family Friendly and Workplace Flexibility Act, suggest Congress is fulfilling its constitutional duty to “provide for the . . . general welfare of the United States.” While that notion may be debatable, what isn’t debatable is the effect such bills would have on employers.

#### *Highlights of the ‘lucky’ 13 bills*

The proposed Healthy Families Act, which states that it is “in the national interest to ensure all Americans can care for their own health and the health of their families while prospering at work,” is the lengthiest and most comprehensive of all the bills introduced. It would require all employers to:

- Grant one hour of paid sick time for every 30 hours employees work;
- Allow the paid sick time to be used beginning on the 60th calendar day of employment;
- Reinstate an employee’s previously earned sick time if he is discharged or quits and is rehired within 12 months; and
- Document all information regarding employees’ paid sick time and report the data to the Government Accountability Office (GAO) each year, including the number of employees who used paid sick time, the number of hours each employee

used, and the demographic characteristics of employees who used paid sick time.

Not only would the proposed Family and Medical Leave Enhancement Act of 2014 lower from 50 to 25 the number of workers necessary for an employer to be covered by the Family and Medical Leave Act (FMLA), but it also would add an “entitlement to additional leave for parental involvement and family wellness.” All employers with 25 workers would be required to allow all eligible employees to take up to four hours of leave during any 30-day period to “participate in or attend an activity that is sponsored by a school or community organization and . . . that is attended by a son, daughter or grandchild of the employee.” Eligible employees also would be entitled to take leave to meet routine family medical care needs, including medical and dental appointments for themselves or a son, daughter, spouse, or grandchild or to care for elderly individuals.

The proposed Family and Medical Insurance Leave Act provides for the creation of the Office of Paid Family and Medical Leave and for family and medical leave insurance benefits for up to 60 days per benefit period. The benefits payments would be based on a rather complicated calculation but would amount to a minimum of \$580 per month and a maximum of \$4,000 per month. If you deal with the FMLA on a regular basis, you know how many employees use it as unpaid leave. Just imagine the number of employees who will take paid FMLA leave funded by taxpayers.

#### *Growing sense that change is coming*

None of the bills has passed yet, but there’s a growing sense that legislators want to change something that in many cases isn’t broken. If you aren’t prepared for the imminent changes, it may make sense to review your employee leave benefits.

If you feel strongly about any of the proposed legislation, you could contact your congressional representatives about their position on the bills and make your stance known. It’s clear they aren’t aware of the implications for corporate America.



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