



**NEW YORK STATE  
PAID FAMILY LEAVE COALITION**



## Raising the threshold for small business size from < 10 to < 20 in the Paid Sick Time Bill

Changing the definition of a small business from under 10 employees to under 20 employees would mean that almost 9 out of 10 (88%) private business establishments in New York City would fall into the category of small business. This estimate is based on the US Census County Business Patterns data for 2007, the latest year for which figures are available.

By making this change:

1. We are responsive to the concerns raised by many in the small business and nonprofit community at the November 17, 2009 Council Committee on Civil Service and Labor public hearing and through subsequent stakeholder meetings. By increasing the definition of a small business from under 10 to under 20 employees, it means that nearly 9 out of 10 New York City business establishments would now fall under the lower, minimal requirement of 5 days.

2. We are doubling the size of what is considered a small business. Moreover, we are counting employees in terms of full time equivalents (FTEs) in order not to have a bias against businesses that employ part-time workers. So actually, an even larger percentage of businesses would be considered “small” for purposes of paid sick time because the census data is based on the number of individuals on the payroll.

Number of private business establishments by employment size						
County	1 to 4	5 to 9	10 to 19	Total<20	Total all sizes	% <20
Bronx	10128	2241	1542	13911	15616	89%
Kings	30173	6302	3992	40467	44253	91%
NY	60199	17209	11741	89149	104063	86%
Queens	28450	5773	3682	37905	41740	91%
Richmond	5310	1377	887	7574	8398	90%
<b>TOTAL</b>				<b>189006</b>	<b>214070</b>	<b>88%</b>

Source: US Census Bureau, 2007 County Business Patterns

Notes: Employment size is based on the number of individuals on the payroll. An establishment is a single physical location. Prepared by Nancy Rankin