

## Frequently Asked Questions About Paid Sick Time in New York City

**Q: Why do we need a paid sick time law in New York City? Don't most workers receive paid sick time?**

**A: More than one million workers in New York City do not get a single paid sick day for themselves or to care for an ill child.<sup>1</sup>** Many workers are forced to go to work sick because they cannot afford to lose pay or risk losing their jobs. Approximately 23% of workers report that they have lost a job or were told they would lose a job due to needing time off for personal or family illness.<sup>2</sup> Lack of paid sick time is an especially severe problem for low-wage workers. Government statistics reveal wide disparities by wage level in who has access to paid sick time. According to federal Bureau of Labor Statistics data for the NYC metropolitan area, 84% of workers in the top quarter of wage earners have paid sick time, while only 37% of those in the bottom quarter do.

**Q: But aren't most of the workers without paid sick time part-time, low-wage workers?**

**A: While the problem is greatest for low-wage and part-time workers, New Yorkers of all incomes are affected by lack of paid sick time.** In New York City, 62% of low-income and 45% of moderate-income workers have no paid sick time.<sup>3</sup> Approximately 40% of all full-time workers lack paid sick time.<sup>4</sup> Without paid sick time, far too many workers are forced to choose between their families' health and financial security.

**Q: Why shouldn't paid sick time be up to the individual employer?**

**A: Lack of paid sick time poses serious public health risks. Like health code standards for restaurants, or immunization requirements for students, paid sick time affects all of us.** If most employers did the right thing and provided paid sick time, a law on this issue would be unnecessary. But research shows a widespread lack of paid sick time among workers in New York City, which threatens the health of *all* New Yorkers. Many workers without paid sick time handle food or provide care for children and the elderly, creating a serious risk of spreading illness to others. Surveys have found that 84% percent of New York City restaurant workers lack paid sick time.<sup>5</sup> Furthermore, approximately 43% of workers in New York City who have close contact with children or the elderly have no paid sick time.<sup>6</sup>

**Q: Will the Paid Sick Time Act interfere with businesses that choose other ways of giving employees time off for illness, such as general paid time off that can be used for any purpose?**

**A: No.** Employers will not have to change their policies if they already provide an equivalent amount of paid time off that can be used for the purposes covered in the Paid Sick Time Act.

**Q: In this tough economic climate, is it the right time to pass a paid sick time law?**

**A: Yes! Workers in today's economy need a paid sick time law more than ever.** The New York City Paid Sick Time Act will provide a critical health and economic security net to workers who are struggling to stay employed and provide for their families. Paid sick time is a low-cost way to keep workers employed, to help workers meet the needs of their family, and to create health care savings. For example, approximately 1.3 million hospital emergency room visits in the U.S. could be prevented each year by providing paid sick time, resulting in significant savings for public health insurance programs and taxpayers; the emergency room savings in New York City alone are estimated to be \$39.5 million a year.<sup>7</sup> Among workers in New York City with health insurance, those without paid sick time are significantly more likely to use the emergency room each year.<sup>8</sup>

**Q: Will this bill hurt New York City businesses, especially given the slow economic recovery?**

**A: No. The small cost of providing a modest amount of paid sick time will not hurt businesses or jobs.** The estimated cost of the New York City Paid Sick Time Act is approximately 22 cents per hour for employees receiving new leave.<sup>9</sup> This cost is comparable to a small increase in the minimum wage, which research and experience have shown does not adversely impact jobs. Moreover, the small cost of paid sick time is offset by savings from lower turnover, higher productivity, and the reduced spread of illness to coworkers. If you had any

doubts, studies regarding San Francisco's paid sick time law underscore the minimal impact of this type of legislation. Following implementation of the law in 2007, businesses and jobs did not fare worse there than in surrounding counties without a sick time law,<sup>10</sup> and employer profitability did not suffer.<sup>11</sup> Take it from the opposition: the burden has been minimal according to Jim Lazarus, Senior Vice President of San Francisco's Chamber of Commerce (*Wall Street Journal*, May 13, 2010).

**Q: Have supporters been willing to compromise and consider business-friendly amendments to the bill?**

**A: Yes!** In response to business concerns and to ensure that small businesses are not burdened, supporters made numerous business-friendly amendments to the Paid Sick Time Act in October 2012. For example, "mom and pop" businesses with fewer than 5 employees will not be required under the bill to provide paid sick time to their workers; rather, these small businesses will be prohibited from retaliating against workers who use up to 5 *unpaid* sick days a year. Under another business-friendly amendment, new businesses with fewer than 20 employees will have a one-year grace period before being covered by the bill.

**Q: Have researchers studied the health and caregiving benefits of paid sick time?**

**A: A growing body of research<sup>12</sup> on paid sick time shows significant health and caregiving benefits:**

- Workers without paid sick time are more likely to go to work sick. As a result, workers without paid sick time are unnecessarily spreading infectious disease and jeopardizing their own health.
- Parents with paid sick time are five times more likely to be able to care for sick children at home than similar parents who do not have paid sick time.
- Access to paid sick time influences the ability of working New Yorkers to care for their aging parents. Elderly individuals live longer and have better health outcomes with family caregiving support.

**Q: Is there public support for paid sick time in New York City?**

**A: Yes! The public overwhelmingly supports passage of a paid sick time law.** A recent survey shows that 83% of New Yorkers favor a law requiring employers to give workers paid sick time.<sup>13</sup> The high level of support among New Yorkers for a paid sick time law transcends political parties.<sup>14</sup> Additionally, many union leaders, health care practitioners, public health experts, economists, small business owners, and parent groups have endorsed the campaign to provide paid sick time. Local newspapers also support the idea. According to *El Diario*, "Paid sick time is not a favor. It's a necessary protection for workers, businesses, and everyday people who want their food and security in healthy hands" (Nov. 25, 2006). *The New York Times* has published two editorials calling for passage of paid sick time legislation in New York City and highlighting that paid sick time laws in other localities have not hurt business or job markets (Editorials: August 4, 2012; October 14, 2012).

**Q: Where have paid sick time laws been passed? Should New Yorkers wait for Congress to act first?**

**A: New Yorkers cannot afford to wait for passage of federal legislation on paid sick time. In states and cities around the country, there is growing momentum to make paid sick time a basic labor standard.** Paid sick time legislation has been passed in San Francisco, Washington D.C., Connecticut, Philadelphia, Seattle and Milwaukee, and has been proposed in 22 states and localities. In our congested city, where workers commute by crowded subways and buses, we should act now to protect the health and economic security of working New Yorkers and their families.

**Q: Does the City have the legal authority to pass and implement the Paid Sick Time Act?**

**A: Yes.** The City Council's legal staff and outside legal experts have thoroughly researched this issue.

<sup>1</sup> Nancy Rankin, *Still Sick in the City: What the Lack of Paid Leave Means for Working New Yorkers*, Community Service Society of New York (Jan. 2012), p. 3.

<sup>2</sup> T. Smith and J. Kim, *Paid Sick Days: Attitudes and Experiences*, National Opinion Research Center for Public Welfare Foundation (June 2010), p. 6.

<sup>3</sup> Nancy Rankin, *Paid Sick Days: Support Grows for a Work Standard Most Low-Wage Earners Still Lack in New York City*, Community Service Society (Oct. 2012), p. 3.

<sup>4</sup> Rankin, *Still Sick in the City*, p. 6.

<sup>5</sup> *Behind the Kitchen Door: Pervasive Inequality in New York City's Thriving Restaurant Industry: Executive Summary*, ROC-NY and the NYC Restaurant Industry Coalition (Jan. 2005). A national study found that only 10% of restaurant workers receive paid sick time. See *Serving While Sick*, ROC (Sept. 2010).

<sup>6</sup> Rankin, *Still Sick in the City*, p. 8.

<sup>7</sup> *Ibid.*, pp. 2-3; K. Miller, C. Williams & Y. Yi, *Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits*, IWPR (Nov. 2011), p. iv.

<sup>8</sup> J. Reiss, N. Rankin & K. Pietrangel, *Sick in the City: What the Lack of Paid Leave Means for Working New Yorkers*, A Better Balance and CSS (Oct. 2009), p. 13.

<sup>9</sup> K. Miller and C. Williams, *Valuing Good Health in New York City: The Costs and Benefits of Paid Sick Days* (April 2012), pp. 2-3.

<sup>10</sup> J. Petro, *Paid Sick Leave Does Not Harm Employment*, Drum Major Institute for Public Policy (Sept. 2010), p. 1.

<sup>11</sup> R. Drago and V. Lovell, *San Francisco's Paid Sick Leave Ordinance: Outcomes for Employers and Employees*, IWPR (Feb. 2011).

<sup>12</sup> See, e.g., Reiss et al., *Sick in the City*; Rankin, *Still Sick in the City*; J. Heymann, H. J. Rho, J. Schmitt & A. Earle, *Contagion Nation: A Comparison of Paid Sick Day Policies in 22 Countries*, Center for Economic and Policy Research (May 2009); *A Health Impact Assessment of the Healthy Families Act of 2009*, Human Impact Partners (June 2009).

<sup>13</sup> Rankin, *Support Grows for a Work Standard Most Low-Wage Earners Still Lack in New York City*, p. 3.

<sup>14</sup> *Ibid.*, p. 5.