



AUSTIN'S NEW PAID SICK LEAVE ORDINANCE: WHAT YOU NEED TO KNOW

Who is covered by the new paid sick ordinance?

The ordinance covers any employee of a private business or non-profit who performs at least 80 hours of work within Austin city limits in a calendar year. The ordinance does not cover non-employees like interns or independent contractors. This ordinance also does not cover government employees.

In what situations may an employee use paid leave under this ordinance?

Employees can use paid sick leave for reasons related to their own health or a family member's health, including physical illness, injury, mental illness, or preventative care. Employees may also use earned leave if they or a family member needs to receive medical attention, take legal action, move, or obtain other victim services related to domestic violence, sexual assault, or stalking.

How much paid leave does the ordinance require employers to provide?

Employees must earn at least one hour of paid leave for every 30 hours of work. Employees of small businesses with 15 employees or less must provide at least 6 paid sick days (or 48 hours of paid leave), in a year. All other employers must provide at least 8 paid sick days (or 64 hours of paid leave) in a year. Unused leave can roll over from one year to the next, but an employer can cap an employee's maximum amount of yearly leave at 6 or 8 days, depending on its size.

An employer is not required to allow an employee to use earned sick time on more than 8 calendar days in a year. This ordinance will have no effect on employers that already provide paid time off to their employees, either as sick time or vacation time, as long as the employers' existing leave policies meet the requirements of the ordinance. The ordinance does not prevent employers from implementing a leave policy that goes above and beyond the city's requirements.

How much is an employer supposed to pay an employee when they use earned leave?

An employer should pay an employee who uses earned sick time in the same way that the employer pays that employee for hours worked. An employer does not need to pay an employee any overtime, commissions, or tips that the employee would have earned during the hours leave is taken, but an employer does need to pay at least the state minimum wage of \$7.25 an hour for any leave hours used. For example, tipped restaurant workers who usually earn \$2.13 an hour plus tips would have to be compensated at least \$7.25 an hour when they use earned sick time.

What will an employee need to do to be able to use their earned leave?

If an employee needs to use earned leave, they will usually need to let their employer know prior to their scheduled work time. In situations where an employee could not anticipate their need to be absent from work, like accidents or medical emergencies, employees do not need to request leave before their scheduled work time.

When will this ordinance go into effect?

Most businesses must begin providing paid leave on October 1, 2018. Very small businesses of five employees or less must begin providing paid leave on October 1, 2020. The city will not begin assessing any penalties against employers who violate this ordinance until June 1, 2019, except in cases of employee retaliation.

How soon can an employee use their earned paid sick time?

Most employees will be able to use their earned leave as soon as it accrues. In some instances, employers may prevent new employees hired for a period of one year from using earned leave during their first 60 days of employment.

Apart from providing paid leave, what else does this ordinance require employers to do?

Employers must keep records tracking the amount of paid leave that their employees have accrued and requested. At least once a month, employers must provide a statement to each of their employees showing the amount of earned leave that is available to them. In addition, employers must display a notice about the ordinance in a place that is visible to their employees and in a language that their employees understand.

How will this ordinance be enforced?

The City of Austin Equal Employment Opportunity/Fair Housing Office (EEO/FHO) is the city agency that will enforce the ordinance. If EEO/FHO finds that an employer is in violation of the ordinance, the agency must give the employer the chance to correct the violation within ten days. If the employer still refuses to comply with the ordinance, the City will fine the employer up to \$500 for each violation.

What happens next?

EEO/FHO will develop rules and processes establishing the specifics of how the agency will enact the ordinance, including how it will receive reports, conduct investigations, and assess penalties against non-compliant employers. The City will also develop and launch a public education campaign to inform both employers and employees about the new ordinance.