

## General Public Listening Session #1

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The Workplace Partnership Group conducted a general public listening session on Wednesday, January 20, 2016, to engage the general community of Minneapolis. The session was conducted at the Urban League of Minneapolis, 2100 Plymouth Ave N, beginning at 6:43 p.m. Participants were invited to provide their perspectives in response to a pre-arranged set of questions related to policy issues concerned with earned sick time and paid time-off (PTO). The following is a summary of feedback from participants in this listening session.

### PRESENTATION

Mageen Caines, an epidemiologist with the Minneapolis Health Department, presented information about the public health consequences of illness, citing case studies related to specific diseases, and the potential impact to workers lacking access to paid sick time. She noted that disparities were largely the result of policy decisions that systematically disadvantaged certain populations; in particular, low-income workers and communities of color. Thus, the greatest potential for meaningful change to address these public health disparities was through policy initiatives targeting these populations. See attached PowerPoint presentation for details.

Deputy City Coordinator Nuria Rivera-Vandermyde provided additional context by explaining that studies show nearly 40% of workers in Minneapolis lacked access to paid sick time or PTO. Thus, in keeping with the charge given by the Mayor and City Council, the Workplace Partnership Group was studying the impact of policy elements related to earned sick time and paid time-off, including regional and cross-jurisdictional implications. To help structure its approach to the myriad of issues involved in a potential municipal policy mandate, the Workplace Partnership Group was exploring aspects of policy elements in three major categories: (1) elements that could improve public health, generally; (2) elements that would improve labor conditions, specifically targeting employee health in the workplace; and (3) improving the business climate in Minneapolis to attract and retain the best workforce possible. Within those three major categories, some of the primary questions focused on how broadly the coverage of a municipal mandate should be; how any benefit would be accrued and applied; and the mechanisms around administration, monitoring, and enforcement, as well as safeguards to avoid abuses of the policy by both employees and employers. These were reflected in a “decision pathway” chart that visually depicted the scope of work being considered; see attached chart for details. A final report of policy recommendations was due to the Mayor and City Council by February 24, 2016.

### PARTICIPANT FEEDBACK

With that context, the floor was opened to feedback from those in attendance. The following questions were used to broadly frame the discussion.

**Question #1. How broadly or narrowly should the City of Minneapolis consider coverage to effectively address the public health and equity concerns associated with policies related to earned sick time and paid time-off?**

**Question #2. How should paid sick time and/or paid time-off be used? What are your experiences in offering this kind of coverage, or in using paid sick time?**

**Question #3. How should paid sick time and/or paid time-off be earned? Should it vary by hours worked, business sector, revenue, number of employees? Should it be capped?**

**Question #4. What, if any, measures should be considered to ensure workers are not penalized for using paid sick time, and to ensure that employers are not subject to undue hardship or abuse of such policies?**

One participant, an employer with 25 employees in the restaurant industry, said she believed the concept of a municipal sick time policy was well-intentioned, adding that, on the surface, the generalities seemed like the right and obvious thing to do. However, she expressed concern about the implementation, noting the details of any such policy—especially if approached in a one-size-fits-all manner—could have the opposite effect. She said she, too, was concerned with the potential for policies that perpetuated systemic inequity; for example, the differences between (and potential unequal treatment of) non-English-speaking kitchen workers compared to primarily white front-of-house workers and how benefits might accrue. She said part-time workers could be disadvantaged if the accrual methodology included a too-high bar for access; for example, if a worker earned 1 hour for every 30 hours worked, maxing out at 5 days per year, then part-time staff would have a bigger challenge reaching the ability to access that benefit. Because restaurants work on very thin profit margins, it was possible that any benefits accrual would primarily be geared toward employees already making a higher pay rate, which would potentially exclude those workers most in need.

Another participant recommended that a maximum number of paid days off that were earned based on the number of hours worked was, theoretically, a good approach, and largely matched existing policies in place in many work environments. Employees working at least 30 hours per week would be considered “full-time” workers. An alternative was to allow all full-time workers to earn up to 5 paid days off each year and all part-time workers to earn up to 3 paid days off each year, with carry-over options at a capped amount to allow for increases in total benefit accruals over time. The majority of participants agreed that the specifics of any policy, lacking context, was what could lead to unintended negative consequences; therefore, more specificity was needed.

For hourly workers, the ability to swap shifts and to make-up time was another approach to maximize the ability for employees to accrue, save, and build earned sick time. Several of those in attendance agreed that any policy recommendations should allow for such practices to continue, since this gave more flexibility to employers, especially low-wage workers who needed the most flexibility and coverage options. Again, a policy that contained a lower “bar” for accrual rates would better help part-time workers, since they could reach the threshold of hours worked to qualify for the benefit. That equalizes the benefit of paid time-off among full-time and part-time workers.

One participant questioned what role the city government had to play in determining a uniform policy mandate related to earned sick time and paid time-off. He said he believed in minimal government intrusion into the marketplace as possible; therefore, he suggested the first policy issue is addressing whether an employee benefit—such as paid sick time—was considered a “right.” He said the assumption that employment benefits were rights naturally assumed that having a job was, in fact, a “right” for all. He said he believed a job was not a “right,” but something individuals had to work hard to get and keep, which provided resources necessary for individuals to protect life, liberty, and the pursuit of happiness, these latter being “rights.” Employment benefits were, he said, just that: benefits. In one respect, determining what benefits would be offered, in what amount, for what types of work, and similar matters, was a way for businesses to distinguish themselves in the competitive marketplace, as a tool for attracting and retaining the best workforce possible. Government intervention, thus, had the potential to negatively impact the free marketplace, something that was a serious concern for him. He added that he believed it was a dangerous proposition for the city government to attempt to become the “human resources department” for all businesses in Minneapolis, ignoring the many unique aspects of different industries or sectors operating in the city. He said such an approach didn’t create fairness, it created sameness.

One participant, identifying as a worker, said there was too often an unspoken pressure for employees to work while sick, even in those situations where paid sick time is offered as a benefit. This was seen as a uniquely American workplace issue: benefits are sometimes offered as a way to support employees, but there was an unspoken implication that workers seeking to access those benefits were somehow disappointing their supervisors and co-workers and not fulfilling their duties and meeting the expectations of the job. So, some workers—even though having access to paid sick time—felt there was a “slap on the hand” if they needed to use that benefit. It became a sort of double-edged sword.

Some claimed that having a citywide policy implied any benefits associated with that policy should be applied to all workers, regardless of business size, annual revenues, employment status, and other factors, because the primary driver underpinning the need for the policy is improved public health. The consequences of public health aspects justified the intervention of the city government, since the first responsibility of government was public health and safety. Secondarily, the disparities between specific segments of the community underscored the need to better balance the benefits provided to workers in all industries and business sectors, for workers as well as for their dependent family members.

One participant noted she had a wide variety of workplace experiences, including 10 years in a corporate environment, as a retail owner for 7 years, and most recently as a server in a restaurant for the past year. These experiences had given her direct experience with various benefit packages, from receiving paid time-off, sick time, and vacation leaves in a corporate work environment to having no benefits as a server in the restaurant industry. She described some of her experiences in the restaurant industry; she said most restaurants don't hire full-time workers, relying instead on a larger number of part-time workers in order to avoid benefits issues. As a result, she said she didn't have the ability to stay home when she is sick; she has bills and rent to pay, and staying home sick represents hours of potential pay when she isn't making money. She said that she understood the plight facing small business, in terms of narrow profit margins, difficult scheduling issues, seasonal and part-time labor pools, etc.; but she also expressed concern about the larger public health consequences of having workers on the job while sick, especially in the restaurant industry. She also stated that those front-line workers who needed the benefit of paid sick time and paid time-off were likely unable to participate in public listening sessions, since they were probably at work earning their income. Finally, she offered that goals connected to improving public health almost necessitated some action to ensure all workers had access to some form of paid time off in order to address individual and family healthcare needs, and she encouraged the Workplace Partnership Group to give consideration to those perspectives.

Another employee participant indicated that a concern frequently expressed by business owners was that employees would abuse a sick-time policy, opting instead to use accrued time intended for healthcare needs for vacation and time-off purposes not related to healthcare or illness. She asserted that, contrary to that viewpoint, her own experience as a community-based organizer of low-wage earners showed that these individuals could barely afford bills, so it was unlikely that such employees would misuse or abuse any sick-time policy. In actuality, she said there are workers who are forced to choose between working or losing their income and, therefore, not having the ability to put food on the family table. Furthermore, she suggested that there was an equal concern about employers abusing a sick-leave mandate by denying access or use of accrued hours, which had occurred, as reported by workers. So, more stringent enforcement was needed of the existing laws/policies related to sick time.

Another participant questioned if it was possible for city government to facilitate a synchronistic partnership between larger corporations and small businesses and nonprofit organizations such that the benefits that were offered by those corporations could be shared with the smaller-sized businesses and organizations, creating “benefits-sharing programs” that could enable more workers to receive better benefits at a better (lower) overall rate or cost. Not only would this potentially make the costs associated with a policy mandate more acceptable to business owners, it could also provide a more consistent, across-the-board benefit to all employees, regardless of the work place or their employment status (full-time versus part-time), and also raise the level of community-wide health care concerns connected to the threat of communicable illnesses.

Others like this innovative approach, but questioned if it was legally possible. One small-business owner, speaking to this issue, called the proposal “sick time insurance,” and noted a comparable program existed in New Jersey to provide a statewide parental leave benefit (maternity/paternity) to all workers.

One business owner indicated that timing for implementation would be critical, noting that all businesses had recently been impacted by the statewide minimum wage increase. She said businesses were struggling to adjust to that policy mandate, and a new requirement by the city related to sick time could push small businesses to close. To that end, timing becomes an important factor. It was also noted that federal changes in the FLSA formula related to how workers qualify for and accrue overtime pay was expected to change in the near-term, adding more complexity to the list of factors and contingencies that needed to be considered.

Some additional recommendations offered by participants were to have the city ensure a fair and level playing field for all businesses, which primarily meant enforcing even compliance by businesses and holding “bad actors” accountable. Additionally, it was suggested that the city could help improve communications with employees to (1) ensure compliance with new or existing sick-time policies and (2) help employees understand their rights and how to access sick-time benefits. To that end, a comprehensive communications program aimed at educating employees was identified as an important scope of work to be performed by the city government. With respect to the goal of improving the overall business climate in Minneapolis, many participants said that providing sick-time benefits uniformly to all employees raised the minimum standards and improved the work environment for all employees, and this would distinguish Minneapolis as a preferred business location, demonstrating that employers valued their workforce.