

WORKPLACE PARTNERSHIP GROUP DETAILED POLICY DECISION OUTLINE at 2/25/16

Yellow highlight indicates choices confirmed by Workplace Partnership Group

| I. SCOPE | <i>We recommend a policy that covers:</i> | NOTES | LANGUAGE | Consensus check | Complete! |
|--|---|---------------------------------------|---|---|-----------|
| A) Covered employers | 1. Employers based in Minneapolis | | <i>We recommend a policy that covers:</i> | 1/25/16 | |
| | 2. Employers with employees who work within Minneapolis, regardless of employer location. | May consider employer size threshold | Individuals working in the City of Minneapolis (regardless of where your employer is located) at least 80 hours in a year for a given employer, shall have access to paid sick time. | 1/25/16 | 2/1/16 |
| | 3. Only employers in sectors with significant public health exposure | Define at employer or employee level? | | 1/25/16 | |
| B) Covered employees – FT/PT | 1. Only full-time employees are covered | <i>TBD by the accrual rate...</i> | | Exempt and non-exempt employees. Exempt employees are considered to work 40 hours a week for purposes of accrual, unless there is evidence that they work less than that. | 2/1/16 |
| | 2. Both part-time and full-time employees are covered | | | | |
| C) Covered employees – hours threshold | 1. All employees who work within Minneapolis | | <p>We recommend the following small employer accommodations:</p> <ul style="list-style-type: none"> • <i>Micro-employer compliance standard.</i> Employees of “micro” employers (3 or fewer employees) shall have access to protections against retaliation but provision of paid sick time is at the employer’s discretion, • <i>Delay in penalties for small employers.</i> Small employers (with fewer than 24 employees) shall have an additional 6-12 months before penalties can be assessed. | | |
| | 2. All employees who conduct at least 80 hours of work a year in Minneapolis | | | | |

| | | | | | |
|----------------------------------|--|--|---|------------------------|-------------------|
| | | | <p>(Employees are covered under the ordinance during this time and remedies must be made available to employees, but penalties may not be assessed.)</p> <ul style="list-style-type: none"> • Delay in penalties for “new/startup” employers. Employers that are within the first 12 months of operation shall not have penalties assessed. (Employees are covered during this time and remedies must be made available to employees, but penalties may not be assessed.) <p>Creation of an Office for Small Business in Minneapolis that would foster the growth of small businesses in Minneapolis by providing support in navigation of City processes.</p> | | |
| II. USAGE | <i>We recommend a policy that allows usage of sick time for:</i> | NOTES | LANGUAGE | Consensus check | Complete ! |
| A) Employee vs employee + family | 1. Employee health needs only | | <i>We recommend a policy in which:</i> Employees may use paid sick time for mental and physical illness or incident, injuries, health conditions, diagnostic and preventive care, school closures due to public health or | 2/8/16 | |
| | 2. Health needs of employee as well as family members, broadly defined | Build on existing definitions for City of Minneapolis employees (which also incorporates MN State Statute 181.9413). | | | |

| | | | | | |
|--|---|---|---|--------|--|
| B) Inclusion of mental health for usage | 1. Mental and physical illness, injuries, health conditions, diagnostic and preventive care, school closures due to public health or other emergencies. | <i>Commentary: Bereavement policy be explored to include and/or be adapted for culturally-appropriate practices and recognition of extended family and community relationships.</i> | other emergencies for themselves or for members of their extended families and households (as defined in City of Minneapolis civil code and MN State Statute 181.9413). Employees may use paid sick time in increments consistent with current business practices, as defined by industry standards or existing employer policy. | 2/8/16 | |
| | 2. Usage restricted to physical illness. | | | | |
| C) Increments of usage | 1. Full shift/day is the smallest increment of time that can be taken off as "sick time" | | Employers may request documentation of illness/absence from an employee if there is a clear pattern of abuse. | | |
| | 2. Partial shift/day can be taken off as "sick time" | This issue here is the "doctor's appointment" or the child who is sick for only part of the school day. Smallest increment allowable in employer payroll system? | | 2/8/16 | |
| D) Documentation | 1. Doctor's note or other employee proof of illness for time taken (perhaps after a specified number of consecutive days). (Modified) | Potential for inappropriate use, balanced with cost and difficulty of getting a doctor's note, and employee privacy considerations. | | 2/8/16 | |
| | 2. No documentation required. | Group may consider if there is a third option on this issue | | | |
| E) Provisional period at start of employment | 1. Employee begins to accrue time immediately, but the use of sick time is at the employer's discretion in the initial 2-3 months of employment | Employee gains by accruing immediately, but employer is also protected by not | Employees will begin earning accrued sick time at the start of employment; and, will able to access earned hours after a | | |

| | | | | | |
|--|---|--|---|--------|--|
| | | having to grant time for seasonal employees, for example. | provisional period, consistent with employer practice, and no longer than 90 days. | | |
| | 2. Employee is eligible to use accrued sick time from the commencement of employment. | | | 2/8/16 | |
| F) Relationship to existing PTO policies | 1. Sick days are accrued/used separately than other forms of PTO, vacation and other types of leave. | | Any employer with a paid leave policy, (such as a paid time off policy or a paid leave policy within a CBA) such as a paid time off policy, that provides an amount of paid leave sufficient to meet the total annual accrual requirements of this policy that may be used for the same purposes as paid sick time in this law, is not required to provide additional paid sick time. | | |
| | 2. Sick days are accrued/used separately for employee individual use v. use for extended family or household. | | | | |
| | 3. Paid leave policies – such as employer PTO policies, other types of leave policies or existing agreements – are in compliance with the ordinance if they meet the minimum standards. | <p><i>From Philadelphia: “Any employer with a paid leave policy, who makes available an amount of paid leave (including but not limited to vacation days, sick days, short-term disability benefits, floating holidays, parental leave, personal days, or PTO), sufficient to meet or exceed the accrual requirements of this Section, and that may be used for the same purposes and under the same conditions as sick time under this Chapter, is not required to provide additional sick time.”</i></p> | Existing sick time and/or paid time off (PTO) policies will be considered in compliance with City policy if they meet minimum standards established by the City. Employers may voluntarily present existing policies for review; or, may be asked for review upon receipt of an inquiry or complaint. | 2/8/16 | |

| | | | | | |
|-----------------------------------|---|--|---|------------------------|------------------|
| | 4. Sick days program is administered by the city through a payroll tax into a fund that pays for sick days for all workers in Minneapolis. | Commentary: There is interest in the idea of a broader program to support paid sick time. The WPG recommends that explore this concept further and, if appropriate, pursue through its state legislative agenda. | | | |
| III. ACCRUAL MECHANISM | <i>We recommend a policy that contains the following provisions:</i> | NOTES | LANGUAGE | Consensus check | Complete! |
| A) Accrual vs other mechanism | 1. Employee receives full allotment of sick time at commencement of employment, and receives the same allotment at the beginning of each year of employment thereafter. | | | | |
| | 2. Employees accrue sick time according to a specified accrual rate (e.g. 1 hour for every 30 hours worked) | | We recommend a policy in which employees earn paid sick time based on hours worked. | 2/17/16 | |
| B) Amount of time received/earned | 1. If an accrual system, an employee should earn sick time at the rate of 1 hour for every 30 hours worked. If using an allotment system, an employee should receive amount equivalent to accruing at that rate for one year. | Recommendation language on this item depends on outcome for preceding topic (accrual vs other mechanism) | | | |
| | 2. If an accrual system, employee accrues at a rate other than 1 for 30. | | We recommend an approach in which employees earn 1 hour of sick time for every 30 hours worked. | | |
| C) Carryover | 1. Sick time that is accrued and unused may carry over in full into the following year. | Related considerations: (1) Availability of | | | |

| | | | | | |
|-------------------------------------|--|---|--|--|--|
| | <p>2. Sick time that is accrued and unused may be carried over with a cap on the total amount of time that may be carried over year to year.</p> | <p>accrued sick time for employees who change jobs within a business; or who return after a leave of absence; (2) Honoring accrued sick time in the event of a business sale or merger; (3) Ability to cash out accrued leave at year end, or donate time</p> | <p>We recommend a cap of 80 hours on total accrual.</p> | | |
| | <p>3. Sick time that is accrued and unused may not be carried over from year to year.</p> | | | | |
| D) Caps | <p>1. A cap is placed on the total number of days an individual may use in the course of a year</p> | <p>This issue takes into consideration individuals working more than 40 hours a week</p> | <p>We recommend an annual cap on accrued time at 48 hours.</p> | | |
| | <p>2. No cap is placed on the total number of days an individual may use in the course of a year</p> | | | | |
| E) Distinctions by size of employer | <p>1. Employees working for employers with less than 5 employees may earn no more than ___ days/hours of sick time in a year.</p> | <p>Consider micro-employers? Consider start-ups /length of time business has been in operation?</p> | | | |
| | <p>2. Employees working in Minneapolis accrue/earn paid sick time at the same rate and with the same caps, regardless of size of employer.</p> | | | | |

| IV. MONITORING, ENFORCEMENT & IMPLEMENTATION | <i>We recommend that the City of Minneapolis:</i> | NOTES | LANGUAGE | Consensus check | Complete ! |
|--|---|--|--|-----------------|------------|
| A) Education and outreach | Undertake proactive, culturally appropriate outreach and education efforts to ensure that both employees and employers are aware of the new policy and understand it. On an ongoing basis, employers and employees should receive timely, accurate and easy-to-understand information about rights and responsibilities. Small-business and community-based organizations should be enlisted as partners to expand the reach of education and outreach efforts. | | We recommend that the City plan for a broad education effort, with resources dedicated appropriately, for community-based and business partners to help deliver accurate and easy-to-understand information about rights and responsibilities related to this policy change. Efforts should be community- and language-specific, ensuring reach to smaller businesses and affected employees, where impact is expected to be most significant. | 2/17/16 | |
| B) Enforcement system | Design a robust enforcement system that maximizes employer compliance and provides efficient and fully accessible avenues for bringing and resolving complaints. Components of enforcement system should include: | May include both complaint-based and more proactive methods of enforcement | We recommend that the City establish a point of contact for which employers and employees can ask for review of policies/actions; and, allow for voluntary review by City staff of existing policies. | 2/17/16 | |
| | 1. Survey or other regular evaluation methods to identify patterns related to compliance and usage. | | We recommend that the City pursue and support a partnership approach with employer and employee representation to shape | | |
| | 2. Incentives related to recognition or other benefits to businesses that meet or exceed standards put forth by this policy. | Per proposal shared by Steve & Bruce | | 2/17/16 | |

| | | | | | |
|-----------------------------|--|---|---|---------|--|
| | <p>3. Financial penalties for noncompliance that are sufficient to maximize compliance with policy (and level the playing field for compliant employers).</p> | <p>A delay in implementation of penalties for small employers may be considered to ensure sufficient time to implement new policy.</p> | <p>goals for sick time coverage and encouragement for adoption of established policies. The City's own compliance effort will complement this</p> | | |
| | <p>4. Identify an ombudsperson that employers and employees may contact with issues/problems related to the policy in content or implementation</p> | | <p>partnership by establishing financial penalties and/or sanctions consistent with City practice for those who fail to comply with the policy after a period of time to be determined by Council.</p> | 2/17/16 | |
| C) Protections | <p>1. Ensure that workers are protected from retaliation in any form 2. Clarify that an employer maintains its right to take disciplinary action when clear evidence exists of a pattern of an employee using leave for purposes other than those provided under the law.</p> | <p>"Retaliatory personnel action" means any termination, suspension, constructive discharge, demotion, unfavorable reassignment, refusal to promote, disciplinary action or other adverse employment action taken by an employer against an employee or a service worker.</p> | <p>We recommend that employees be protected from retaliation in any form <i>[per the definition of retaliation provided in City code or per language provided]</i>. We also recommend that employers maintain the ability to take disciplinary action if there is a clear pattern of abuse.</p> | 2/17/16 | |
| D) Notice and Recordkeeping | <p>1. Create notice provisions that provide information on rights and responsibilities to employees in a fully accessible manner (including linguistic accessibility). 2. Ensure recordkeeping rules will provide timely and sufficient information to the city and employees, as needed, without</p> | | <p>Notice: Employers must display a poster in a spot conspicuous and accessible to all employees in English or any other language spoken by 10 percent of the employer's workforce Individual Notice: Employers</p> | | |

| | | | | | |
|--|---|--|---|---------|--|
| | undue administrative burdens on the employer. | | <p>must provide written notice at time of hire, or if already employed, as soon as possible, in English and primary language of the employee provided the department has made available the notice in that language.</p> <p>Record keeping: Employer must maintain records for 2 years, unless otherwise required by law or regulation.</p> | | |
| E) Ongoing reporting, monitoring and policy improvements | Ensure that employers and employees (and employer/employee representatives) have opportunity to monitor implementation, review relevant data on the ordinance in practice, and consider potential policy changes. | | <p>Covered in partnership recommendation above.</p> <p>We recommend that the City of Minneapolis commit resources to ensure an annual outcome evaluation and report to the community on implementation of this policy for at least the first three years of implementation.</p> | 2/17/16 | |