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Mandatory Paid Sick Leave Laws on the Rise

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Several states and cities across the county have passed laws requiring employers to provide their employees with paid sick leave. Statewide laws have been passed in Connecticut, California, Massachusetts and Oregon. Washington, D.C., and cities within Maryland, New Jersey, New York, Washington and Pennsylvania have passed mandatory paid sick leave laws as well.

In September 2015, President Obama signed an Executive Order requiring companies that contract with the federal government to provide their employees with paid sick leave. Specifically, the Executive Order requires federal contractors to provide its employees with an hour of paid sick leave for every 30 hours an employee works, up to seven paid sick days per year.

The effects of these new laws and whether they fulfill their stated purpose remains unclear. Proponents of mandatory paid sick leave laws cite public health concerns, in addition to general economic considerations of promoting efficiency and productivity in the workplace. One survey found that 51 percent of workers "always" or "frequently" go to work sick. These statistics are alarming when taking into consideration that many of these workers are employees in the food industry. Employees state that they frequently go to work sick because they cannot afford to lose the pay for days they miss as a result of being sick. While some food service employers have taken their own initiative and instituted paid sick leave policies, this is not an across-the-board trend. As a result, proponents of these laws have been gaining ground in the legislatures, making the laws mandatory and not voluntary.

As for the economic effects of these laws, the White House and other proponents of paid sick leave laws assert that mandatory paid sick leave will reduce workplace illness and improve productivity. However, opponents of these laws assert that employees are still just as likely to report to work sick even if they can take advantage of paid sick leave time. And while proponents of these policies contend that employers who offer paid sick leave in cities and states in which it is not required by law will experience reduced employee turnover and will be able to attract more competitive employees, opponents point out that when paid sick leave becomes mandatory across the board, business will still experience the same employee turnover and lack of competitive applicants.

There are several economic reasons an employer might offer its employees paid sick leave. Soon, however, employers may not have a choice. Whether legislatures continue to pass these laws will likely depend on what occurs in the cities and states in which paid sick leave is required by law.