| 1 | H.187 |
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| 2 | Introduced by Representatives Toleno of Brattleboro, Bartholomew of |
| 3 | Hartland, Burke of Brattleboro, Chesnut-Tangerman of |
| 4 | Middletown Springs, Christie of Hartford, Cole of Burlington, |
| 5 | Davis of Washington, Donovan of Burlington, Fields of |
| 6 | Bennington, Frank of Underhill, French of Randolph, Gonzalez |
| 7 | of Winooski, Hooper of Montpelier, Klein of East Montpelier, |
| 8 | Lenes of Shelburne, Long of Newfane, Lucke of Hartford, |
| 9 | Macaig of Williston, Masland of Thetford, McCormack of |
| 10 | Burlington, McCullough of Williston, Mrowicki of Putney, |
| 11 | Nuovo of Middlebury, O'Sullivan of Burlington, Patt of |
| 12 | Worcester, Pearson of Burlington, Ryerson of Randolph, |
| 13 | Stevens of Waterbury, Stuart of Brattleboro, Townsend of |
| 14 | South Burlington, Troiano of Stannard, Walz of Barre City, |
| 15 | Woodward of Johnson, and Zagar of Barnard |
| 16 | Referred to Committee on |
| 17 | Date: |
| 18 | Subject: Labor; employment practices; paid absence from work |
| 19 | Statement of purpose of bill as introduced: This bill proposes to ensure that |
| 20 | employees accrue a minimum number of hours of paid sick time annually and |

| 1 | prohibits employers from penalizing employees who use their accrued sick |
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| 2 | time. |
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| 3 | An act relating to absence from work for health care and safety |
| 4 | It is hereby enacted by the General Assembly of the State of Vermont: |
| 5 | Sec. 1. FINDINGS |
| 6 | The General Assembly finds: |
| 7 | (1) According to the Vermont Department of Labor's 2013 Fringe |
| 8 | Benefits study, roughly one-half of all private sector employers provide some |
| 9 | form of paid leave to their employees. Less than 50 percent of private sector |
| 10 | workers employed by companies with under 20 workers have access to paid |
| 11 | leave, while only approximately 78 percent of workers employed by larger |
| 12 | companies have access to paid leave time. |
| 13 | (2) In total, more than 60,000 working Vermonters lack access to paid |
| 14 | leave. |
| 15 | Sec. 2. PURPOSE |
| 16 | The purpose of this act is to promote a healthy work environment by |
| 17 | ensuring that employees are provided with paid sick leave time and that |

employers do not penalize employees who use paid sick leave benefits.

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| 1 | Sec. 3. 21 V.S.A. § 384 is amended to read: |
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| 2 | § 384. EMPLOYMENT; WAGES |
| 3 | * * * |
| 4 | (d) For the purposes of earned sick time, an employer must comply with |
| 5 | the provisions required under subchapter 4B of this chapter. |
| 6 | Sec. 4. 21 V.S.A. chapter 5, subchapter 4B is added to read: |
| 7 | Subchapter 4B. Earned Sick Time |
| 8 | § 481. DEFINITIONS |
| 9 | As used in this subchapter: |
| 10 | (1) "Combined time off" means a policy wherein the employer provides |
| 11 | time off for vacation, sickness, personal reasons, or holidays, and the employee |
| 12 | has the option to use all of the leave for whatever purpose he or she chooses. |
| 13 | (2) "Commissioner" means the Commissioner of Labor. |
| 14 | (3) "Differential" means compensation paid in addition to the usual |
| 15 | compensation paid to an employee of a health care facility as defined in |
| 16 | 18 V.S.A. § 9432(8) who does not work on a regular schedule and who works |
| 17 | only when he or she indicates that he or she is available to work and has no |
| 18 | obligation to work when he or she does not indicate availability. |
| 19 | (4) "Earned sick time" means discretionary time earned and accrued |
| 20 | under the provisions of this subchapter and used for the purposes listed in |
| 21 | subdivisions 483(a)(1)–(5) of this subchapter. |

| 1 | (5) "Employee" has the same meaning as set forth in section 341 of this |
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| 2 | title, except that it shall not include employees of the federal government. |
| 3 | (6) "Employer" means an individual, organization, or governmental |
| 4 | body, partnership, association, corporation, legal representative, trustee, |
| 5 | receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, |
| 6 | air, or express company doing business in or operating within this State. |
| 7 | (7) "Seasonal employee" has the same meaning as set forth in |
| 8 | subdivision 2002(4) of this title. |
| 9 | § 482. EARNED SICK TIME |
| 10 | (a) An employee shall accrue not less than one hour of earned sick time for |
| 11 | every 40 hours worked. |
| 12 | (b) An employer may require a waiting period for new hires. |
| 13 | (1) During this waiting period, an employee shall accrue earned sick |
| 14 | time pursuant to this section but cannot use the earned sick time until after he |
| 15 | or she has worked for the employer for 90 days or 500 hours, whichever occurs |
| 16 | <u>later.</u> |
| 17 | (2) An employer may elect not to count an employee's time worked as a |
| 18 | part-time, summer seasonal employee, or short-term temporary employee in |
| 19 | determining the end date of the employee's waiting period. |
| 20 | (c) In the absence of a more generous paid time policy or collective |
| 21 | bargaining agreement provision, an employer may: |

| 1 | (1) limit the amount of earned sick time accrued pursuant to this |
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| 2 | section to: |
| 3 | (A) from July 1, 2015, until June 30, 2017, a maximum of 24 hours |
| 4 | in a 12-month period; and |
| 5 | (B) after June 30, 2017, a maximum of 40 hours in a 12-month |
| 6 | period; or |
| 7 | (2) limit to 40 hours the number of hours in each workweek for which |
| 8 | full-time employees not subject to the overtime provisions of the Federal Fair |
| 9 | Labor Standards Act, 29 U.S.C. § 213(a)(1), may accrue earned sick time |
| 10 | pursuant to this section. |
| 11 | (d) Earned sick time accrued pursuant to this section shall be compensated |
| 12 | at the same hourly rate and with the same benefits, including health care |
| 13 | benefits, as the employee normally earns for hours worked. |
| 14 | (e) Service or tipped employees shall be compensated at an amount that is |
| 15 | not less than the minimum wage required for nonservice or nontipped |
| 16 | employees pursuant to section 384 of this title. |
| 17 | (f) An employer with a paid time policy that is comparable to or more |
| 18 | generous than the earned sick time provided under this section is not required |
| 19 | to provide additional earned sick time. |

| 1 | (g) If an employer offers combined time off that does not specifically |
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| 2 | include sick time, an employee may use all or a portion of that time for the |
| 3 | purposes listed in subdivisions 483(a)(1)–(5) of this title. |
| 4 | (h) Nothing in this section shall be construed to interfere with the |
| 5 | enforcement of or require a change in a collective bargaining agreement that is |
| 6 | comparable to or more generous than the earned sick time provided under this |
| 7 | section. |
| 8 | (i) An employer may calculate the amount of earned sick time that an |
| 9 | employee has accrued pursuant to this section on a quarterly basis, provided |
| 10 | that an employee may use earned sick time as he or she accrues it during that |
| 11 | quarter. |
| 12 | § 483. USE OF EARNED SICK TIME |
| 13 | (a) An employee may use earned sick time accrued pursuant to section 482 |
| 14 | of this title for any of the following reasons: |
| 15 | (1) The employee is ill or injured. |
| 16 | (2) The employee obtains professional diagnostic, preventive, routine, or |
| 17 | therapeutic health care. |
| 18 | (3) The employee cares for a sick or injured parent, grandparent, spouse, |
| 19 | child, brother, sister, parent-in-law, grandchild, foster child, person residing |
| 20 | with the employee, or family member for whom the employee is primarily |

| 1 | responsible to arrange or provide care for, including helping that individual |
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| 2 | obtain diagnostic, preventive, routine, or therapeutic health treatment. |
| 3 | (4) The employee is arranging for social or legal services or obtaining |
| 4 | medical care or counseling for the employee or for the employee's parent, |
| 5 | grandparent, spouse, child, brother, sister, parent-in-law, grandchild, foster |
| 6 | child, person residing with the employee, or family member for whom the |
| 7 | employee is primarily responsible to arrange or provide care for, who is a |
| 8 | victim of domestic violence, sexual assault, or stalking or who is relocating as |
| 9 | the result of domestic violence, sexual assault, or stalking. As used in this |
| 10 | section, "domestic violence," "sexual assault," and "stalking" shall have the |
| 11 | same meaning as in 15 V.S.A. § 1151. |
| 12 | (5) The employee cares for a parent, grandparent, spouse, child, brother, |
| 13 | sister, parent-in-law, grandchild, foster child, person residing with the |
| 14 | employee, or family member for whom the employee is primarily responsible |
| 15 | to arrange or provide care for, because the school or business where that |
| 16 | individual is normally located during the employee's work day is closed for |
| 17 | public health or safety reasons. |
| 18 | (b) An employee shall use earned sick time accrued pursuant to section 482 |
| 19 | of this title in the smallest time increments that the employer's payroll system |
| 20 | uses to account for other absences when the employee's absence is shorter than |
| 21 | a normal workday. |

| 1 | (c)(1) In the absence of a more generous paid time policy or collective |
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| 2 | bargaining agreement provision, an employee may use: |
| 3 | (A) from July 1, 2015, until June 30, 2017, no more than 24 hours of |
| 4 | earned sick time accrued pursuant to section 482 of this title in any one |
| 5 | year; and |
| 6 | (B) after June 30, 2017, no more than 40 hours of earned sick time |
| 7 | accrued pursuant to section 482 of this title in any one year. |
| 8 | (2) Unused hours shall be carried over to the next year and the employee |
| 9 | has the right to earn the balance between the unused portion and the maximum |
| 10 | allowed. |
| 11 | (d) Upon separation from employment, an employee shall not be entitled to |
| 12 | payment for unused earned sick time accrued pursuant to section 482 of this |
| 13 | title unless agreed upon by the employer. |
| 14 | (e) If, at an employer's discretion, an employer pays an employee for |
| 15 | unused earned sick time accrued pursuant to section 482 of this title at the end |
| 16 | of an annual period, then the amount for which the employee was compensated |
| 17 | does not carry over to the next year. |
| 18 | (f) An employee who is rehired within 12 months after a separation from |
| 19 | employment shall retain earned sick time accrued pursuant to section 482 of |
| 20 | this title that was unused at the time of separation, unless the employee was |
| 21 | compensated for this earned sick time at the time of separation from |

| 1 | employment. An employer shall retain a record of the earned sick time |
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| 2 | accrued by an employee for at least 12 months after the employee's separation |
| 3 | from employment. |
| 4 | (g) An employer may require an employee to make reasonable efforts to |
| 5 | find a replacement for planned absences, including absences for professional |
| 6 | diagnostic, preventive, routine, or therapeutic health care. |
| 7 | (h) An employer may require an employee planning to take earned sick |
| 8 | time accrued pursuant to section 482 of this title to: |
| 9 | (1) make reasonable efforts to avoid scheduling routine or preventive |
| 10 | health care during regular work hours; or |
| 11 | (2) notify the employer as soon as practicable of the intent to take |
| 12 | earned sick time accrued pursuant to section 482 of this title and the expected |
| 13 | duration of the employee's absence. |
| 14 | (i) An employer shall post notice of the provisions of this section in a form |
| 15 | provided by the Commissioner in a place conspicuous to employees at the |
| 16 | employer's place of business. An employer shall also notify an employee of |
| 17 | the provisions of this section at the time of the employee's hiring. |
| 18 | (j)(1) This section shall not apply to an employee of a health care facility as |
| 19 | defined in 18 V.S.A. § 9432(8) if the employee: |
| 20 | (A) is under no obligation to work a regular schedule; |

| 1 | (B) works only when he or she indicates that he or she is available to |
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| 2 | work and has no obligation to work when he or she does not indicate |
| 3 | availability; and |
| 4 | (C) receives higher pay in the form of a differential as defined in |
| 5 | section 481 of this title, or some other increased compensation than that paid to |
| 6 | an employee of a health care facility performing the same job on a regular |
| 7 | schedule. |
| 8 | (2) An employer may agree to provide earned sick time to an employee |
| 9 | covered by this subsection. |
| 10 | (k) This section shall not apply to an employee of a school district, |
| 11 | supervisory district, or supervisory union as defined in 16 V.S.A. § 11 that: |
| 12 | (1) is employed pursuant to a school district or supervisory union policy |
| 13 | on substitute educators as require by the Vermont Standards Board for |
| 14 | Professional Educators Rule 5381; |
| 15 | (2) is under no obligation to work a regular schedule; and |
| 16 | (3) is not under contract or written agreement to provide at least one |
| 17 | period of long-term substitute coverage which is defined as 30 or more |
| 18 | consecutive calendar days in the same assignment. |
| 19 | (l) A seasonal employee shall not accrue earned sick time pursuant to |
| 20 | section 482 of this title during his or her first year of employment. However, a |
| 21 | seasonal employee that returns for a second year of employment shall, upon |

| 1 | commencing his or her second year of employment, immediately accrue one |
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| 2 | hour of earned sick time for every 40 hours worked during his or her first year |
| 3 | of employment, provided that: |
| 4 | (1) the seasonal employee returns after the separation from employment |
| 5 | within 12 months as provided by subsection (f) of this section; and |
| 6 | (2) the seasonal employee is employed by the same employer as he or |
| 7 | she was for the previous season. |
| 8 | (m) An employee who uses earned sick time accrued pursuant to section |
| 9 | 482 of this title shall not forfeit his or her rights to leave under sections 472 |
| 10 | and 472a of this title. |
| 11 | (n) It shall be unlawful for an employer, employment agency, or labor |
| 12 | organization to: |
| 13 | (1) have an absence control policy that treats an employee's use of |
| 14 | earned sick time in accordance with this subchapter or the employer's earned |
| 15 | sick time policy as an absence that could lead to or result in the employee's |
| 16 | discharge, demotion, suspension, or other adverse employment action; or |
| 17 | (2) discipline, discharge, demote, suspend, penalize, or otherwise |
| 18 | discriminate against an employee that: |
| 19 | (A) requests or uses earned sick time in accordance with this |
| 20 | subchapter or the employer's earned sick time policy; or |

| 1 | (B) has lodged a complaint with the Commissioner alleging that the |
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| 2 | employer has violated the provisions of this subchapter. |
| 3 | (o) An employer may adopt an earned sick time policy more generous than |
| 4 | the earned sick time provided by this subchapter. Nothing in this subchapter |
| 5 | shall be construed to diminish an employer's obligation to comply with any |
| 6 | collective bargaining agreement or any employment benefit program or plan |
| 7 | that provides greater sick time rights than the rights provided by this |
| 8 | subchapter. A collective bargaining agreement or employment benefit |
| 9 | program or plan may not diminish rights provided by this subchapter. |
| 10 | (p) An employer who violates this section shall be subject to the penalty |
| 11 | provisions of section 345 of this title. |
| 12 | (q) The Commissioner shall enforce this section in accordance with the |
| 13 | procedures established in section 342a of this title. |
| 14 | § 484. SEVERABILITY OF PROVISIONS |
| 15 | If any provision of this subchapter or the application of such provision to |
| 16 | any person or circumstances shall be held invalid, the remainder of the |
| 17 | subchapter and the application of such provisions to persons or circumstances |
| 18 | other than those as to which it is held invalid shall not be affected thereby. |

| 1 | Sec. 5. 21 V.S.A. § 345 is amended to read: |
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| 2 | § 345. NONPAYMENT OF WAGES AND BENEFITS |
| 3 | (a) Each employer who violates sections 342 and 343 342, 343, 482, and |
| 4 | $\underline{483}$ of this title shall be fined not more than \$5,000.00. Where the employer is |
| 5 | a corporation, the president or other officers who have control of the payment |
| 6 | operations of the corporation shall be considered employers and liable to the |
| 7 | employee for actual wages due when the officer has willfully and without good |
| 8 | cause participated in knowing violations of this chapter. |
| 9 | * * * |
| 10 | Sec. 6. DEPARTMENT OF LABOR SURVEY |
| 11 | The Department of Labor shall commission a survey to report the effects of |
| 12 | this act on employers and employees one year after implementation. Survey |
| 13 | topics shall include the health and economic effects on employees and |
| 14 | employers. The results of the survey shall be reported to the appropriate |
| 15 | committees. |
| 16 | Sec. 7. EFFECTIVE DATE |
| 17 | This act shall take effect on January 1, 2016. |