

# **Employers Sample**

## PAID LEAVE AND PAID SICK AND SAFE LEAVE MODEL POLICY-ACCRUAL

Note to Employers: The Chicago Office of Labor Standards (OLS) has created this model policy as an example of the information that should form a complete Paid Leave and Paid Sick and Safe Leave (PL&PSL) policy. Chicago Municipal Code (MCC) Chapter 6-130-050(d) requires Employers to provide each Covered Employee with a written copy of the Employer's paid time off policy. The paid time off policy should contain the procedures to meet the ordinance's requirements. Employers can edit and personalize this sample policy to their practices, so long as the policy meets all the ordinance requirements.

#### SECTION I-PURPOSE OF THE CHICAGO PL&PSL ORDINANCE; ABOUT PL&PSL

Chicago's Paid Leave and Paid Sick and Safe Leave Ordinance, MCC 6-130 requires Employers to provide Covered Employees working in Chicago with Paid Leave and Paid Sick Leave.

Paid Leave is time provided by an Employer to a Covered Employee that can be used for any reason for the Covered Employee's choosing and is NOT Paid Sick Leave.

Paid Sick Leave is time provided by an Employer to a Covered Employee that can be used to recover from illness, take care of a family member, address domestic violence situations, and public health emergencies. Please see MCC 6-130-130 for the full list of acceptable Paid Sick Leave uses.

"Family member" means an individual's child, ward, legal guardian, parent, spouse under the laws of any state, domestic partner, spouse or domestic partner's parent, sibling, grandparent, grandchild, or any other individual related by blood or whose close association with the individual is the equivalent of a family relationship. A child includes not only a biological relationship, but also a relationship resulting from an adoption, step-relationship, or foster care relationship, or a child to whom the individual stands in loco parentis. A parent includes a biological, foster, stepparent or adoptive parent or legal guardian of an individual, or a person who stood in loco parentis when the individual was a minor child.

## **SECTION II-COVERED EMPLOYEES**

Employers are required to provide Paid Leave and Paid Sick Leave to all Covered Employees working in Chicago, including full-time, part-time, temporary and seasonal employees, regardless of overtime exempt status.

"Covered Employee" means an Employee who works at least 80 hours for an Employer within any 120-day period while physically present within the geographic boundaries of the City. Time spent traveling in the City that is compensated time, including, but not limited to, deliveries, sales calls, and travel related to other business activity taking place within the City, shall constitute work while physically present within the geographic boundaries of the City. The term "Covered Employee" includes all Domestic Workers regardless of whether they work as employees, independent contractors, sole proprietors, or partnerships.

"Employer" means a person who gainfully employs at least one Employee.

## SECTION III-COVERED EMPLOYEE CLASSIFICATION

[Insert Name] is a {circle one}

full-time employee part-time employee seasonal/temporary employee



#### **SECTION IV-BENEFIT YEAR<sup>1</sup>**

Paid Leave and Paid Sick Leave are accrued based on a benefit year (continuous 12-month period). This Employer's benefit-year begins on [insert date] and ends on [insert date].

#### SECTION V-ACCRUAL CALCULATION METHOD AND CARRYOVER

Covered Employees earn one (1) hour of Paid Leve AND one (1) hour of Paid Sick Leave for every **35 hours**<sup>2</sup> worked.

Covered Employees can accrue up to forty (40)<sup>3</sup> hours of Paid Leave in a benefit-year.

Covered Employees can accrue up to forty (40)<sup>4</sup> hours of Paid Sick Leave in a benefit-year.

Covered Employees can carryover up to **sixteen (16)**<sup>5</sup> hours of accrued and unused <u>Paid Leave</u> from one benefit-year to the next.

Covered Employees can carryover up to **eighty (80)**<sup>6</sup> hours of accrued and unused <u>Paid Sick Leave</u> from one benefit-year to the next

#### SECTION VI-USING PL&PSL HOURS AND RATE OF PAY

An Employer may impose a waiting period of up to ninety (90) days after a Covered Employee commences employment before the Covered Employee can use accrued Paid Leave hours.

This Employer requires a waiting period of [insert days] before a new Covered Employee can use accrued and unused Paid Leave hours.

An Employer may impose a waiting period of up to thirty (30) days after a Covered Employee commences employment before the Covered Employee can use accrued <u>Paid Sick Leave</u>.

This Employer requires a waiting period of [insert days] before a new Covered Employee can use accrued and unused Paid Sick Leave hours.

Covered Employees are permitted to use Paid Leave in increments of not less than four (4) hours.

Covered Employees are permitted to use Paid Sick Leave in increments of not less than two (2) hours.

When using Paid Leave or Paid Sick Leave, Covered Employees will be paid their normal hourly compensation (i.e. the rate they would have earned if they had shown up to work). If a Covered Employee is engaged in an occupation in which they customarily receive Gratuities the Employer shall pay at least the full City of Chicago Minimum Wage when using Paid Leave or Paid Sick Leave. Covered Employees are entitled to request for a 90-day lookback period average if they have received a pay-cut in the preceding 90 days.

<sup>&</sup>lt;sup>1</sup> An Employer must notify Covered Employees if it is using a period other than the calendar year for P&LPSL accrual and carryover (e.g. tax year, fiscal year, contract year, or the year running from a Covered Employee's hire date).

<sup>&</sup>lt;sup>2</sup> An Employer may choose to offer a more generous rate of accrual than the minimum amounts required by the PL&PSL Ordinance.

<sup>&</sup>lt;sup>3</sup> An Employer may choose to offer a more generous cap for Paid Leave than the minimum required by the PL&PSL Ordinance.

<sup>&</sup>lt;sup>4</sup> An Employer may choose to offer a more generous cap for Paid Sick Leave than the minimum required by the PL&PSL Ordinance.

<sup>&</sup>lt;sup>5</sup> An Employer may choose to offer a more generous carryover rate for Paid Leave than the minimum required by the PL&PSL Ordinance.

<sup>&</sup>lt;sup>6</sup> An Employer may choose to offer a more generous carryover rate for Paid Sick Leave than the minimum required by the PL&PSL Ordinance.



#### **SECTION VII-PAYOUT OF PAID LEAVE**

Employer Note: for purposes of Payout a Large Employer is one who has 101+ Covered Employees; a Medium Employer is one who has between 51 and 100 Covered Employees; and a Small Employer is one who has between 1 and 50 Covered Employees.

This Employer is classified as an [insert Employer size].

Covered Employees are entitled to a payout of up to fifty-six (56)<sup>7</sup> hours of accrued and unused Paid Leave hours.

Small Employers are not subject to payout; Medium players have a cap of up to 16 hours from 07/01/2024-06/30/2025, Large Employers have a cap of up to 56 hours.

#### SECTION VIII-METHOD OF NOTIFICATION OF PL&PSL BALANCE

Each time wages are paid; Employers are required to notify Covered Employees of (1) total available Paid Leave and Paid Sick Leave; (2) Paid Leave and Paid Sick Leave accrued since the last notification; and (3) Paid Leave and Paid Sick Leave used since the last notification.

This Employer [insert timing and method of notification, e.g. information is available in an online database, or information is available on the Covered Employee's pay stub]

### SECTION IX-NOTICE REQUIREMENTS TO REQUEST PL&PSL

To request Paid Leave and Paid Sick Leave, a Covered Employee must follow the Employer's notice procedures for absences, including marking a timesheet accordingly. A Covered Employee does not have to disclose the reason for using Paid Leave. A Covered Employee does not have to disclose the nature of an illness, or the specific reason related to the usage of Paid Sick Leave, but the Covered Employee must give enough information to understand that the absences is a for a Paid Sick Leave qualifying reason.

If the Covered Employee's need for PL&PSL is foreseeable (e.g. doctor appointment), the Covered Employee must make a request to [insert point or method of contact (e.g. Supervisor, a specific e-mail address, or phone number]at least seven (7) days, or as soon as practicable, before the date of use.

If the Covered Employee's need for PL&PSL is NOT foreseeable (e.g. unexpected illness), the Covered Employee must follow the call-out procedure [insert call-out procedure, including point of method of contact, method of communication]. If circumstances prevent a Covered Employee from following the call-out procedure, a Covered Employee must provide notice as soon as practicable.

## SECTION X-CERTIFICATION REQUESTS FROM EMPLOYER

Note to employers: Certification requirements are allowed by the Ordinance but are not required. Only include this section if certification is a part of your policy or standard practice.

If a Covered Employee has used Paid Sick Leave for an authorized purpose for more than three (3) consecutive workdays (where the Covered Employee was required or scheduled to work), the Covered Employee must provide certification that establishes or confirms that the use of Paid Sick Leave is for an authorized purpose.

<sup>&</sup>lt;sup>7</sup> In this maximum scenario 16 hours of Paid Leave are carried over between benefit-years and an additional 40 hours that are accrued and unused. In other words, a Covered Employee did not utilize any Paid Leave.



#### SECTION XI-PRE-APPROVAL AND DISAPPROVAL CONDITIONS

Employers may enact reasonable, clearly communicated policies that establish circumstances in which a Covered Employee's request to use Paid Leave may be denied due to operational necessity. The policies must be applied equally to all Covered Employees, and conform with applicable local, state and federal laws.

This Employer has the following pre-approval policies [insert policies (e.g. limit on amount of Covered Employees who can be off at one time, any restrictive dates/periods of time, time granted on a seniority basis vs first come first serve)]

Any disapproval must be made in writing. A copy of the written disapproval must be given to the Covered Employee when the request is denied.

## **SECTION XII-PUBLIC NOTICE REQUIREMENTS**

A Chicago Labor Laws Notice must be posted in a conspicuous place at an Employer's place of business. A copy of the Chicago Labor Laws Notice must be provided to new Covered Employees prior to or on the start of employment. An updated copy of the Chicago Labor Laws Public Notice must be provided to Covered Employees every July 1<sup>st</sup>.

The required notice can be accessed by visiting: Chicago Labor Laws Public Notices.

## **SECTION XIII-RETALIATION PROHIBITED**

It shall be unlawful for any Employer to discriminate in any manner or take any adverse action against any individual in retaliation for exercising any right under the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance, including, but not limited to, disclosing, reporting, or testifying about any violation of this article or rules promulgated thereunder.

An Employer may not require, as a condition of a Covered Employee taking PL&PSL, that the Covered Employee search for or find a replacement worker to cover the hours during which PL&PSL is being used. An Employer may not apply an absence control policy to PL&PSL covered absences.

## **SECTION XIV-PL&PSL QUESTIONS**

Covered Employees with questions about PL&PSL benefits may contact [insert Employer's name and contact information].

The Chicago Office of Labor Standards (OLS) is responsible for enforcing the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance and ensuring that Covered Employees are not retaliated against for using PL&PSL. A Covered Employee may file a complaint with OLS, seek free technical assistance, and access other resources. For more information from the OLS, call 312-744-2211 or visit Chicago OLS.