SUBSTITUTE FOR SENATE BILL NO. 15

A bill to amend 2018 PA 338, entitled "Earned sick time act,"

by amending sections 2, 3, 4, 6, and 7 (MCL 408.962, 408.963, 408.964, 408.966, and 408.967) and by adding section 3a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 2. As used in this act:
- 2 (a) "Department" means the department of licensing labor and 3 regulatory affairs.economic opportunity.
- 4 (b) "Director" means the director of the department of
 5 licensing and regulatory affairs or his or her the director's
 6 designee.
- 7 (c) "Domestic partner" means an adult in a committed 8 relationship with another adult, including both same-sex and





- 1 different-sex relationships. "Committed relationship" As used in
- 2 this subdivision, "committed relationship" means one a relationship
- 3 in which the employee and another individual share responsibility
- 4 for a significant measure of each other's common welfare, such as
- 5 any relationship between individuals of the same or different sex
- 6 that is granted legal recognition by a state, political
- 7 subdivision, or the District of Columbia as a marriage or analogous
- 8 relationship, including, but not limited to, a civil union.
- 9 (d) "Domestic violence" has the same meaning means that term
 10 as provided defined in section 1 of 1978 PA 389, MCL 400.1501.
 - (e) "Earned sick time" means time off from work that is provided by an employer to an employee, whether paid or unpaid, that can be used for the purposes described in subsection (1) of section 4 of this act.section 4(1).
 - (f) "Employee" means an individual engaged in service to an employer in the business of the employer, except that employee does not include an individual employed by the United States government.
 - (g) "Employer" means any person, firm, business, educational institution, nonprofit agency, corporation, limited liability company, government entity, or other entity that employs 1 or more individuals, except that employer does not include the United States government.
 - (h) "Family member" includes all of the following:
 - (i) (i)—A biological, adopted or foster child, stepchild or legal ward, a child of a domestic partner, or a child to whom the employee stands in loco parentis.
- 27 (ii) (ii) A biological parent, foster parent, stepparent, or 28 adoptive parent or a legal guardian of an employee or an employee's 29 spouse or domestic partner or a person an individual who stood in

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- 1 loco parentis when the employee was a minor child.
- 2 (iii) A person An individual to whom the employee is
- 3 legally married under the laws of any state or a domestic partner.
- 4 (iv) (iv) A grandparent.
- 5 (v) $\frac{(v)}{(v)}$ A grandchild.
- 6 (vi) (vi) A biological, foster, or adopted sibling.
- 7 (vii) Any other An individual related by blood or 8 affinity to the employee.
- 9 (viii) An individual whose close association with the employee 10 is the equivalent of a family relationship.
- 11 (i) "Health care professional" means any of the following:
- (i) (i) Any person licensed under federal law or the law of this state to provide health care services, including, but not limited to, nurses, doctors, and emergency room personnel.
- 15 (ii) A certified midwife.
- 16 (j) "Retaliatory personnel action" means any of the following:
- 17 (i)—Denial of any right quaranteed under this act.
- 18 (ii) (ii) A threat, discharge, suspension, demotion, reduction
 19 of hours, or other adverse action against an employee or former
 20 employee for exercise of a right guaranteed under this act.
- 21 (iii) (iii)—Sanctions against an employee who is a recipient of 22 public benefits for exercise of a right guaranteed under this act.
- 23 (iv) (iv)—Interference with, or punishment for, an individual's 24 participation in any manner in an investigation, proceeding, or 25 hearing under this act.
- 26 (k) "Sexual assault" means any act that constitutes a
 27 violation of violates section 520b, 520c, 520d, 520e, 520f, or 520g
 28 of the Michigan penal code, 1931 PA 328, MCL 750.520b, 750.520c,
 29 750.520d, 750.520e, 750.520f, and 750.520g.

- (l) (l) "Small business" means an employer for which fewer than 1 2 10-25 individuals work for compensation during a given week. In 3 determining the number of individuals performing work for compensation during a given week, all individuals performing work 4 5 for compensation on a full-time, part-time, or temporary basis 6 shall must be counted, including individuals made available to work 7 through the services of a temporary services or staffing agency or 8 similar entity. An employer is not a small business if it 9 maintained 10-25 or more employees on its payroll during any 20 or 10 more calendar workweeks in either the current or the immediately preceding calendar year. 11
- Sec. 3. (1) Each An employer shall provide earned sick time to 13 each of the employer's employees in this state.
- 14 (2) (a) Employees Except as otherwise provided in this 15 subsection, an employee of a small business shall must accrue a 16 minimum of one_1 hour of earned sick time for every 30 hours worked 17 but shall may not be entitled to use more than 40 hours of paid 18 earned sick time in a year unless the employer selects a higher 19 limit. If an employee of a small business accrues more than 40 20 hours of earned sick time in a calendar year, the employee shall be 21 entitled to may use an additional 32 hours of unpaid earned sick 22 time in that year, unless the employer selects a higher limit. 23 Employees of a small business must be entitled to may use paid earned sick time before using unpaid earned sick time. As an 24 25 alternative to the accrual of earned sick time, a small business 26 may provide an employee not less than 40 hours of paid earned sick 27 time and not less than 32 hours of unpaid earned sick time at the 28 beginning of a year.
 - (3) (b) All Except as otherwise provided in this subsection,

- all other employees shall must accrue a minimum of one 1 hour of
 paid earned sick time for every 30 hours worked but shall may not
 be entitled to use more than 72 hours of paid earned sick time per
 in a year, unless the employer selects a higher limit. As an
 alternative to the accrual of earned sick time, an employer may
 provide an employee not less than 72 hours of paid earned sick time
 at the beginning of a year.
 - (4) (c) Earned Subject to the requirements of this subsection, earned sick time shall carry carries over from year to year, but a small business is not required to permit allow an employee to use more than 40 hours of paid earned sick time and 32 hours of unpaid earned sick time in a single year, and all other employers are not required to permit allow an employee to use more than 72 hours of paid earned sick time in a single year. An employer shall allow an employee to carry over not more than 144 hours of unused accrued paid earned sick time from 1 year to another year, unless the employer does either of the following:
 - (a) Pays the employee the value of the employee's unused accrued paid earned sick time at the end of the year in which the sick time was earned.
 - (b) Selects a higher limit of hours of unused accrued paid earned sick time that may be carried over.
 - begin begins to accrue on the effective date of this law, act, or upon commencement of the employee's employment, whichever is later. An employee may use accrued earned sick time as it is accrued, except that an employer may require an employee hired after April 1, 2019, the effective date of the 2025 amendatory act that amended this section to wait until the ninetieth calendar day after

commencing employment before using accrued earned sick time, unless

- the employee is a qualifying employee as that term is defined in section 3a. If a year began before the effective date of the amendatory act that added this sentence and has not ended, earned sick time provided to an employee under subsection (2) or (3)
- before the effective date of the amendatory act that added this
 sentence may be counted toward an employer's compliance obligation
 under this act.
 - (3) For purposes of subsection (1), "year" shall mean a regular and consecutive twelve-month period, as determined by an employer.
 - (4) For purposes of earned sick time accrual under this act, an employee who is exempt from overtime requirements under section 13(a)(1) of the Fair Labor Standards Act, 29 USC 213(a)(1), is assumed to work 40 hours in each workweek unless the employee's normal work week is less than 40 hours, in which case earned sick time accrues based upon that normal workweek.
 - (6) (5)—An employer is in compliance with this section if any of the following conditions apply:
 - (a) The employer is an employer other than a small business is in compliance with this section if the employer and provides any paid leave time off in at least the same amounts amount as that provided under this act that may be used for the same purposes and under the same conditions provided in under this act and that is accrued at a rate equal to or greater than the rate described in subsections (1) and (2). subsection (3). An
 - (b) The employer that—is a small business is in compliance with this section if the employer—and provides paid leave—time off in at least the same amounts amount as that provided under this act

- 1 that may be used for the same purposes and under the same
- 2 conditions provided in under this act and that is accrued at a rate
- 3 equal to or greater than the rate described in subsections (1) and
- 4 subsection (2). provided further that that employees of the small
- 5 business are entitled to use paid earned sick time before using
- 6 unpaid earned sick time. For purposes of this subsection, "paid
- 7 leave" includes but is not limited to paid vacation days, personal
- 8 days, and paid time off.
- 9 (c) The employer is a member of a multiemployer collective
- 10 bargaining agreement and contributes to a multiemployer paid sick
- 11 leave plan created in accordance with the Taft-Hartley act of 1947,
- 12 29 USC 141 to 191 or a similar multiemployer fringe benefit fund
- 13 plan created in accordance with the Taft-Hartley act of 1947, 29
- 14 USC 141 to 191, and the employer provides paid time off in at least
- 15 the same amount as that provided under this act that may be used
- 16 for the same purposes and under the same conditions under this act
- 17 and that is accrued at a rate equal to or greater than the rate
- described in subsections (2) and (3). If a multiemployer collective
- 19 bargaining agreement or other employment agreement meets both of
- 20 the following conditions, this subdivision applies to the parties
- 21 to the agreement beginning on the date the agreement expires or is
- 22 terminated, amended, extended, or renewed:
- 23 (i) The agreement is in effect on the effective date of this
- 24 act.

- (ii) The agreement conflicts with this subdivision.
- 26 (7) (6) An employer shall pay each employee using paid earned
- 27 sick time at a pay rate equal to the greater of either the normal
- 28 hourly wage for that employee or the minimum wage established under
- 29 the improved workforce opportunity wage act, 2014 PA 138, MCL

- 1 408.411 to 408.424, 2018 PA 337, MCL 408.931 to 408.945, but not
- 2 less than the minimum wage rate established in section 4 of the
- 3 improved workforce opportunity wage act, 2014 PA 138, MCL 408.414.
- 4 2018 PA 337, MCL 408.934. For any employee whose hourly wage varies
- 5 depending on the work performed, the "normal hourly wage" means the
- 6 average hourly wage of the employee in the pay period immediately
- 7 prior to the pay period in which the employee used paid earned sick
- 8 time.
- 9 (8) (7) An employer shall not require an employee to search
- 10 for or secure a replacement worker as a condition for using earned
- 11 sick time.
- (9) For purposes of subsections (2) to (5), "year" means a
- 13 regular and consecutive 12-month period, as determined by an
- 14 employer.
- 15 (10) For purposes of earned sick time accrual under this act,
- 16 all of the following apply:
- 17 (a) An employee who is exempt from overtime requirements under
- 18 section 13(a)(1) of the fair labor standards act, 29 USC 213, is
- 19 assumed to work 40 hours in each workweek unless the employee's
- 20 normal workweek is less than 40 hours, in which case earned sick
- 21 time accrues based on that normal workweek.
- 22 (b) An employee who is covered under 29 CFR 825.801 is assumed
- 23 to have worked not less than 40 hours in each workweek or is
- 24 assumed to have worked not less 30 hours if employed by a small
- 25 business.
- 26 Sec. 3a. (1) An employer that is a member of a multiemployer
- 27 collective bargaining agreement shall not require a qualifying
- 28 employee to wait until the ninetieth calendar day after commencing
- 29 employment with that employer before using accrued earned sick time

- if the qualifying employee is also employed by another member of the multiemployer collective bargaining agreement.
- 3 (2) Benefits accrued by a qualifying employee may be
 4 transferred between employers that contribute to the same
 5 multiemployer paid sick leave plan created in accordance with the
 6 Taft-Hartley act of 1947, 29 USC 141 to 191 or similar
 7 multiemployer fringe benefit fund plan created in accordance with
 8 the Taft-Hartley act of 1947, 29 USC 141 to 191 for that qualifying
 9 employee.
- 10 (3) As used in this section, "qualifying employee" means an 11 employee who meets both of the following conditions:
 - (a) Is employed by an employer that is a member of a multiemployer collective bargaining agreement and contributes to a multiemployer fringe benefit fund or similar fund as described in subsection (2).
- 16 (b) Has accrued leave time in accordance with this act.
- Sec. 4. (1) An employer shall permit allow an employee to use the earned sick time accrued or provided under section 3 for any of the following:
- 20 (a) The employee's mental or physical illness, injury, or 21 health condition; medical diagnosis, care, or treatment of the 22 employee's mental or physical illness, injury, or health condition; 23 or preventative medical care for the employee.
 - (b) For the employee's family member's mental or physical illness, injury, or health condition, ;—medical diagnosis, care, or treatment of the employee's family member's mental or physical illness, injury, or health condition ;—or preventative medical care for a family member of the employee.
- 29 (c) If the employee or the employee's family member is a

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- 1 victim of domestic violence or sexual assault, for medical care or
- 2 psychological or other counseling for physical or psychological
- 3 injury or disability, \div to obtain services from a victim services
- 4 organization, ;—to relocate due to domestic violence or sexual
- 5 assault, ; to obtain legal services, ; or to participate in any
- 6 civil or criminal proceedings related to or resulting from the
- 7 domestic violence or sexual assault.
- 8 (d) For meetings at a child's school or place of care related
- 9 to the child's health or disability, or the effects of domestic
- 10 violence or sexual assault on the child. ; or
- 11 (e) For closure of the employee's place of business by order
- of a public official due to a public health emergency, ; for an
- 13 employee's need to care for a child whose school or place of care
- 14 has been closed by order of a public official due to a public
- 15 health emergency, ; or when it has been determined by the health
- 16 authorities having jurisdiction or by a health care provider that
- 17 the employee's or employee's family member's presence in the
- 18 community would jeopardize the health of others because of the
- 19 employee's or family member's exposure to a communicable disease,
- 20 whether or not the employee or family member has actually
- 21 contracted the communicable disease.
- 22 (2) If the employee's need to use earned sick time is
- 23 foreseeable, an employer -may require advance notice, not to exceed
- 24 7 days prior to before the date the earned sick time is to begin,
- 25 of the intention to use the earned sick time. If the employee's
- 26 need for the earned sick time is not foreseeable, an employer,
- other than an employer that has mandated staffing ratios, may
- 28 require the employee to give notice of the intention as soon as
- 29 practicable, if specified in a written policy of the employer. An

employer that has mandated staffing ratios may require an employee to comply with the employer's leave policy if the employee's need for the earned sick time is not foreseeable.

- (3) Earned sick time may must be used in the smaller of hourly 1-hour increments or the smallest increment that the employer's payroll system uses to account for absences of use of other time.
- employer may require reasonable documentation that the earned sick time has been used for a purpose described in subsection (1). Upon the employer's request, the employee must provide the documentation to the employer in a timely manner. The employer shall not delay the commencement of earned sick time on the basis that the employer has not yet received documentation. Documentation signed by a health care professional indicating that earned sick time is necessary is reasonable documentation for purposes of this subsection. In cases of domestic violence or sexual assault, one any of the following types of documentation selected by the employee shall be are considered reasonable documentation:
- (a) a—A police report indicating that the employee or the employee's family member was a victim of domestic violence or sexual assault. \div
- (b) a—A signed statement from a victim and witness advocate affirming that the employee or employee's family member is receiving services from a victim services organization. ; or
- (c) a—A court document indicating that the employee or employee's family member is involved in legal action related to domestic violence or sexual assault.
- **(5)** An employer shall not require that the documentation explain the nature of the illness or the details of the violence.

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- 1 If an employer chooses to require documentation for earned sick
- 2 time, the employer is responsible for paying all out-of-pocket
- 3 expenses the employee incurs in obtaining the documentation. If the
- 4 employee does have health insurance, the employer is responsible
- 5 for paying any costs charged to the employee by the health care
- 6 provider for providing the specific documentation required by the
- 7 employer.
- 8 (6) (5)—An employer shall not require disclosure of details
- 9 relating to domestic violence or sexual assault or the details of
- 10 an employee's or an employee's family member's medical condition as
- 11 a condition of providing earned sick time under this act. If an
- 12 employer possesses health information or information pertaining to
- domestic violence or sexual assault about an employee or employee's
- 14 family member, the employer shall treat that information as
- 15 confidential and shall not disclose that information except to the
- 16 affected employee or with the permission of the affected employee.
- 17 (7) (6) This act does not require an employer to provide
- 18 earned sick time for any purposes other than as described in this
- 19 section.
- 20 Sec. 6. (1) An employer or any other person shall not
- 21 interfere with, restrain, or deny the exercise of, or the attempt
- 22 to exercise, any right protected under this act.
- 23 (2) An employer shall not take retaliatory personnel action or
- 24 discriminate against an employee because the employee has exercised
- 25 a right protected under this act. Rights protected by this act
- 26 include, but are not limited to, the right to use earned sick time
- 27 pursuant to under this act, the right to file a complaint or inform
- 28 any person about any employer's alleged violation of this act, the
- 29 right to cooperate with the department in its the department's

- 1 investigations of alleged violations of this act, and the right to 2 inform any person of his or her the person's rights under this act.
 - (3) An employer's absence control policy shall must not treat earned sick time taken under this act as an absence that may lead to or result in retaliatory personnel action.
 - (4) The protections in this section apply to any person $\frac{1}{2}$ who that mistakenly but in good faith alleges a violation of this section.
 - (5) There is a rebuttable presumption of a violation of this section if an employer takes adverse personnel action against a person within 90 days after that person does any of the following:
 - (a) Files a complaint with the department or a court alleging a violation of this act.
 - (b) Informs any person about an employer's alleged violation of this act.
 - (c) Cooperates with the department or another person in the investigation or prosecution of any alleged violation of this act.
 - (d) Opposes any policy, practice, or act that is prohibited under this act.
- 20 (e) Informs any person of his or her rights under this act.
 - Sec. 7. (1) If an employer violates this act, the employee affected by the violation, at any time within 3 years 1 year after the violation or the date when the employee knew of the violation, whichever is later, may do any of the following:
 - (a) Bring a civil action for appropriate relief, including, but not limited to, payment for used earned sick time; rehiring or reinstatement to the employee's previous job; payment of back wages; reestablishment of employee benefits to which the employee otherwise would have been eligible if the employee had not been

- subjected to retaliatory personnel action or discrimination; and an equal additional amount as liquidated damages together with costs and reasonable attorney fees as the court allows.
 - (b) File file a claim with the department. , which The department shall investigate the claim. Filing a claim with the department is neither a prerequisite nor a bar to bringing a civil action.
 - (2) (a) The director shall enforce the provisions of this act. In effectuating such enforcement, enforcing this act, the director shall establish do both of the following:
 - (a) Establish a system utilizing that uses multiple means of communication to receive complaints regarding non-compliance that are related to noncompliance with this act. and investigate
 - (b) Investigate complaints received by the department in a timely manner.
 - (3) (b)—Any person alleging—that alleges a violation of this chapter shall have—act has the right to file a complaint with the department. The department shall encourage reporting pursuant to under this subsection by keeping confidential, to the maximum extent permitted by applicable laws, the name and other identifying information of the employee or person reporting the violation. To provided, however, that with the authorization of such person, However, if the person provides authorization to the department, the department may disclose his or her the person's name and identifying information as necessary to enforce this chapter—act or for other appropriate purposes.
- **(4)** (c) Upon receiving a complaint alleging a violation of this chapter, act, the department shall investigate such the complaint and attempt to resolve it through mediation between the

- 1 complainant and the subject of the complaint, or other means. The
- 2 department shall keep complainants a complainant notified regarding
- 3 the status of their the complainant's complaint and any resultant
- 4 investigation. If the department believes that a violation has
- 5 occurred, it shall issue to the offending person or entity a notice
- 6 of violation and the relief required of the offending person or
- 7 entity. The department shall prescribe the form and wording of such
- 8 notices of violation including any method of appealing the decision
- 9 of the department.
- 10 **(5)** The department shall have the power to may impose
- 11 penalties and to grant an employee or former employee all
- 12 appropriate relief, including but not limited to, payment of all
- 13 earned sick time improperly withheld, any and all damages incurred
- 14 by the complaint as the result of violation of this act, back pay,
- 15 and reinstatement in the case of job loss.
- 16 **(6)** (3)—If the director determines that there is reasonable
- 17 cause to believe that an employer violated this act and the
- 18 department is subsequently unable to obtain voluntary compliance by
- 19 the employer within a reasonable time, the department shall bring a
- 20 civil action as provided in subsection (1)(a) on behalf of the
- 21 employee. The department may investigate and file a civil action
- 22 under subsection (1)(a) on behalf of all employees of that employer
- 23 who are similarly situated at the same work site worksite. and who
- 24 have not brought a civil action under subsection (1)(a). A contract
- 25 or agreement between the employer and the employee or any
- 26 acceptance by the employee of a paid or unpaid leave policy that
- 27 provides fewer rights or benefits than provided by this act is void
- 28 and unenforceable.
 - (7) (4) In addition to liability for civil remedies described

- in this section, an employer who fails to provide earned sick time

 in violation of this act or that takes retaliatory personnel action

 against an employee or former employee is subject to a civil fine
- 4 of not more than \$1,000.00 for each violation.
 - (8) In addition to liability for civil remedies described in this section, an employer that fails to provide earned sick time to an employee in violation of this act is subject to a civil fine of not more than 8 times the employee's normal hourly wage.
- 9 **(9)** (5) An employer that willfully violates a notice or 10 posting requirement of section 8 is subject to a civil fine of not 11 more than \$100.00 for each separate—violation.



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