



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: CEO  
Department No.: 012  
For Agenda Of: June 16, 2015  
Placement: Administrative  
Estimated Time:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Jeri Muth, Human Resources Director, 568-2816  
Director(s)  
Contact Info: Joseph Pisano, Employee Relations Manager, 568-2839  
**SUBJECT: Implementation of Healthy Workplaces, Healthy Families Act of 2014**

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: N/A

As to form: Select\_Concurrence

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

1. Authorize the Auditor-Controller and Human Resources to implement the California Healthy Workplaces, Healthy Families Act of 2014 as recommended in this correspondence;
2. Approve the Resolution in Attachment A providing benefits under the Paid Sick Leave Law to Extra Help employees and Contractors on Payroll;
3. Approve the changes in the Management Resolution as tracked in Attachment B to implement provisions of the Paid Sick Leave Law for unrepresented Regular employees and to update sick leave provisions required separately by Labor Code Section 233 (a);
4. Direct staff to notify all labor organizations of the intent to implement this law for represented and unrepresented Regular employees to expand sick leave usage criteria and reinstate unused balances when employees separate from and are rehired into County employment within one year; and

5. Determine that these actions are exempt from the California Environmental Quality Act (CEQA) review as it is not a project pursuant to CEQA Guidelines section 15378 (b) (2).

**Summary Text:**

The California Healthy Workplaces, Healthy Families Act of 2014 requires the County to provide all covered employees with paid sick leave each year, beginning July 1, 2015. In addition, the Act expands the allowed use of sick leave to include absences related to domestic violence, sexual assault, and stalking, and the reinstatement of unused balances when an employee returns to County employment within one year of separation. The recommended actions implement terms and conditions of accrual and usage of sick leave as required by this California state law.

**Background:**

In 2014, the California legislature enacted the Health Workplaces, Healthy Families Act of 2014 (AB1522), also known as the "Paid Sick Leave Law." (California Labor Code Sections 245 through 249) Effective July 1, 2015, the law entitles eligible employees to receive paid sick leave and expands sick leave usage criteria. Under the Paid Sick Leave Law, an employee in California who is working on or after July 1, 2015 for a single employer for 30 or more calendar days within a year is entitled to paid sick leave, which may be used for:

1. The employee or a specified family member for the diagnosis, care, or treatment of an existing health condition or preventive care; and
2. Specified purposes for an employee who is a victim of domestic violence, sexual assault, or stalking.

Currently represented and unrepresented Regular employees, as well as some Contractors on Payroll (COPs), accrue sick leave in excess of the amount required by the Paid Sick Leave Law. As these provisions are more generous than the law, no changes to accrual rates will be necessary for these groups of employees. However, Extra Help employees and certain COPs do not currently receive sick leave benefits and will be eligible to earn sick leave under the provisions of the law.

In addition, Regular County employees are not currently permitted to use accrued sick leave for absences related to domestic violence, sexual assault, or stalking. Effective July 1, 2015 Regular County employees will be allowed to use accrued sick leave for specified purposes provided by this expanded sick leave usage criteria.

Under the law, employers must allow employees to accrue or receive paid sick leave using the employee's current rate of pay and provides three implementation options:

1. Providing 24 hours (or three days) of sick leave at inception of employment and annually thereafter. Employees are entitled to use accrued sick leave once 90 days of employment have elapsed, and there is no carryover of unused balances required under this method.

2. Providing sick leave accruals for every hour worked at a rate of 1 hour for every 30 hours worked), no usage of sick leave until 90 days of employment has elapsed, and no caps on accrual, usage, or carryover of unused balances.
3. Providing sick leave accruals for every hour worked at a rate of 1 hour for every 30 hours worked, no usage of sick leave until 90 days of employment has elapsed, a 24-hour cap on usage in a year, and a carryover of unused balances. The employer may cap accrued sick leave at 48 hours.

Staff recommends implementing Option 1 for all Extra Help employees and any COPs not currently earning paid sick leave.

The law also requires that previously-accrued and unused sick days be reinstated if an employee is rehired within one year of separation from County service. Staff is recommending that this provision be extended to Regular employees' sick leave balances when they return to the organization as a Regular employee within one year of separation. Staff recommends providing 24 hours of sick leave when a separated Regular employee is rehired within one year as an Extra Help or COP employee. Additionally, staff recommends that when an Extra Help employee or COP is hired as a Regular employee that they maintain any sick leave balances already accrued.

Additional aspects of implementing the Paid Sick Leave Law include:

- An employer is not required to pay out accrued sick leave at the time of termination from employment;
- An employer is prohibited from denying an employee the right to use sick leave for purposes permitted by the law; and
- Employees may file a complaint with the Labor Commissioner's Office if they feel their rights have been violated.

In addition to the changes required by the Paid Sick Leave Law, the Management Resolution is not in full compliance with a Labor Code Section 233 (a) provision that employees be allowed to use up to one-half their annual sick leave accruals, which is six days (48 hours) for County employees, to care for a seriously ill or injured family member. The current language in the Management Resolution limits such use to five days per year. Current practice is consistent with the law, and there is no fiscal impact associated with this ministerial change.

**Fiscal and Facilities Impacts:** .

**Budgeted:**. Yes .

**Fiscal Analysis:**

It is estimated that the recommended method of implementing the Paid Sick Leave Law will require the County to credit Extra Help employees and Contractors on Payroll who do not currently accrue sick leave with approximately 22,825 hours of sick leave in the first year of implementation. It is not possible to predict how many of these hours will be used, but if affected employees were paid for all 22,825 hours in the first year, the estimated total maximum expenditure would be approximately \$497,000.

**Key Contract Risks:** N/A

**Staffing Impacts:**

**Legal Positions:**  
N/A

**FTEs:**  
N/A

**Special Instructions:**

**Attachments:**

Attachment A: Proposed Extra Help Employee Resolution

Attachment B: Proposed Revision to Management Resolution (Changes Tracked)

Attachment C: Proposed Revision to Management Resolution (Changes Not Tracked)

**Authored by:** Joseph Pisano

**cc:** Mona H. Miyasato, County Executive Officer  
Michael C. Ghizzoni, County Counsel  
Robert W. Geis Auditor-Controller  
County Department Heads  
Human Resources Leadership Team