PAID SICK LEAVE IN NYC: EARLY EVIDENCE OF POLICY EFFECTS

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NYC Earned Sick Time Act

- The law was passed in June 2013 and went into effect April 1, 2014.

- Employees could start using sick leave on July 30th, 2014 or 120 days after their start of employment, whichever was later.

- Employees accrue sick leave at the rate of one hour for every 30 hours worked, up to a maximum of 40 hours of sick leave per calendar year.
NYC Earned Sick Time Act

- The law mandates that businesses with five or more employees who are employed for hire more than 80 hours a calendar year must provide paid sick leave.

- Businesses with fewer than five employees must provide unpaid sick leave.

- In addition employers with one or more domestic workers who have worked for the employer for at least a year and who work more than 80 hours a calendar year must provide paid sick leave.
Importance of Paid Sick Leave

• Promotes recovery from illness

• Impacts the prevention and spread of illness.

• Impacts on families and children

• Attracting employees & employee retention
Paid Sick Leave in The US

- The US is unique in that there is no federal mandate.
  - Despite this many employers offer paid sick leave to their employees

- A number of states and localities have passed their own Paid Sick Leave mandates.

- Findings from other laws
  - Seattle and San Francisco
Data & Methods

• Use two independent panels pre-law (2013-2015) & post-law (2015-present) both of which are representative of NYC

• Questions asked:
  • During the past 12 months, about how many days did you miss work at a job or business because you or someone you care for was ill or injured?
  • Were you paid for the days you missed because of illness or injury? (Respondents could reply that they were paid for all, some, or none of the days missed.)
  • In the first panel we ask respondents if they’ve heard about the law, and if so where they heard about it.
Awareness of the law

Heard About the Law (by Poverty Status)

- Above the Poverty Line: 71%
- Below the Poverty Line: 65%

From Poverty Tracker Spotlight: *Results from New York City Earned Sick Time Act* which can be found at Robinhood.org
Awareness of the law

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Changes in Usage of Paid Sick Leave

Paid Sick Leave Pre- and Post-Law

Paid for Some or All Sick Days
- Pre-Law: 27%
- Post-Law: 41%

Not Paid for Any Sick Days
- Pre-Law: 53%
- Post-Law: 44%

No Sick Days Taken
- Pre-Law: 20%
- Post-Law: 15%
Payment for Sick Leave

Payment for Sick Leave Pre- and Post-Law (by Poverty Status)

From Poverty Tracker Spotlight: Results from New York City Earned Sick Time Act which can be found at Robinhood.org
Changes by Demographics in Usage of Paid Sick Leave

Percentage Point Increase in Paid Sick Leave Use

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>14%</td>
</tr>
<tr>
<td>Women</td>
<td>15%</td>
</tr>
<tr>
<td>Hispanics</td>
<td>15%</td>
</tr>
<tr>
<td>Whites</td>
<td>15%</td>
</tr>
<tr>
<td>Full-time workers</td>
<td>17%</td>
</tr>
<tr>
<td>College Graduates</td>
<td>19%</td>
</tr>
<tr>
<td>18-35 year olds</td>
<td>20%</td>
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</tbody>
</table>
Takeaways

• In the short time since the law has gone into effect we see an increase use of sick leave and paid sick leave.

• Some groups don’t see significant increases in usage of paid sick leave or sick leave.

• Over half (59%) of New Yorkers are still not taking sick days or taking sick days and not being paid for any of them.
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• Jane Waldfogel, and Chris Wimer from Columbia.
Works Cited


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