

Navigating a New Frontier: An Employer Guide to Paid Sick Leave in Connecticut

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Connecticut employers should prepare for yet another change to their paid sick leave obligations now that a comprehensive overhaul has been approved by the state legislature and awaits the governor's signature. Significantly, this legislation will expand sick leave benefits for employees and create new compliance obligations for employers. Here are the answers to your top five questions and five practical steps for compliance.

1. Which Connecticut Employers are Covered?

Under HB 5005, the covered employer size will be reduced annually and will ultimately apply to employers with at least one employee. Here's the schedule:

- January 1, 2025: Employers with 25 or more employees.
- January 1, 2026: Employers with 11 or more employees.
- January 1, 2027: Employers with at least one employee.

Special exemptions apply to self-employed individuals and employers covered by certain collective bargaining agreements.

2. Which Employees Covered?

The bill abolishes the current narrow "service worker" criteria, opting instead for a uniform application. Come January 1, 2025, **all employees** except for specified "seasonal employees" and certain union workers will be eligible for paid sick leave.

Previously, employees were required to work at least 680 hours before utilizing paid sick leave. Under the new bill, paid sick leave is available for use after 120 calendar days of employment.

3. How Can Leave Be Used?

The bill significantly expands the acceptable uses for sick leave and encompasses a variety of family health scenarios, such as:

- An employee s or their family member s illness or injury;
- Preventative medical care or treatment for the employee or their family member;
- An employee's own mental health wellness day;
- Closure by public order or health emergency of either an employer's place of business or a family member's school or place of care;
- An order from a healthcare provider to quarantine due to a communicable disease; and
- When an employee or their family member is a victim of family violence or sexual assault, provided that the employee is not the alleged perpetrator.

4. Are Accrual Requirements Changing?

The current maximum accrual of 40 hours is unchanged by the new legislation, but the bill's language accelerates the speed of accrual to at least one hour for every 30 hours worked. Employees are still able to carry over up to 40 hours of paid sick leave per year.

Employers may choose to frontload a paid-sick-leave bank annually instead of managing carryovers from year to year, with the caveat that the frontloaded amount must be fully accessible to the employee from the year's outset.

While the legislation includes complicated language on the retention of paid sick leave as a result of workplace transfers, there is no new obligation to pay out the sick leave upon termination.

5. What Are the Notice and Tracking Requirements?

Employer notice-and-posting requirements are intensified and now mandated at the commencement of employment or on January 1, 2025. These specifications go hand in hand with record-keeping requirements — pertaining to the accrual and use of sick leave recorded on employee pay stubs — which should be preserved for a minimum of three years.

Critically, employers will be **prohibited** from requiring an employee to provide any documentation that paid sick leave is being taken for permitted purposes.

5 Practical Steps for Employers

With these impending changes, it's critical for Connecticut employers to:

- 1. Review and revise internal policies to align with the new law.
- 2. Update employment handbooks to reflect the expanded entitlement and usage of sick leave.
- 3. Implement robust tracking systems for accrual, usage, and carry-over of leave.
- 4. Train HR staff and management on the new obligations.
- 5. Ensure compliance in employee documentation and notices relative to the changes.

Conclusion

We will monitor further developments and provide updates as warranted. Make sure you are subscribed to the <u>Fisher Phillips Insight System</u> to ensure you receive the latest news directly to your inbox. For further information, contact your Fisher Phillips attorney or the author of this Insight.

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