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Connecticut Significantly Expands Paid Sick Leave Law

Connecticut Governor Ned Lamont signed a bill that will greatly expand paid sick leave benefits to nearly all Connecticut employees by 2027. This update highlights the changes from the current law to the new law. The new provisions become effective January 1, 2025 (except where noted).

Employer Coverage

The current law applies to employers who employ 50 or more "service workers" in the state of Connecticut based on the number of Connecticut employees on its payroll for the week containing October 1.

The new law will apply to all employees working in Connecticut based on the number of Connecticut employees on the employer's payroll as of January 1 as follows:

- Effective January 1, 2025: employers with 25 or more employees
- Effective January 1, 2026: employers with 11 or more employees
- Effective January 1, 2027: employers with 1 or more employees.

The following employers are excluded under both the current and new law:

- Any business establishment classified in sector 31, 32 or 33 in the North American Industrial Classification System (Manufacturing), or
- Any nationally chartered nonprofit that provides all the following services: recreation, childcare and education.

Employee Coverage

Paid sick leave is currently available to service workers. The new law will cover all employees except:

- · Seasonal employees who work 120 days or less,
- An employee who is a member of multi-employer health plan that is maintained pursuant to a collective bargaining agreement between a construction-related union and employer, and
- · Self-employed individuals.

Accrual of Leave

Under the current law, employees accrue 1 hour of paid sick leave for every 40 hours of service performed. Employees may earn up to 40 hours of paid sick leave per year.

The new law will allow employees to accrue 1 hour of paid sick leave for every 30 hours worked. Employees may earn up to 40 hours of paid sick leave per year. In addition, the new law presumes that exempt employees work 40 hours each week, except each exempt employee whose normal work week is less than 40 hours will accrue paid sick leave based on the hours worked in their normal week. Employers must allow employees to retain their accrued sick leave if transferred to another part of the company, or if employees are acquired by a successor employer.

Employee Eligibility

Under the current law, there is a 680 hour (about 85 days) waiting period before benefits may be payable. Under the new law, benefits will be available on or after 120 calendar days of employment. Under both laws, the maximum benefit cannot exceed the maximum number of accrued hours.

Carryover of Leave

Currently, up to 40 hours of unused sick leave may be carried over into the following calendar year.

Carryover will be the same under the new law; however, in lieu of any carryover from the current year to the following year, an employer may frontload an employee's paid sick leave that meets or exceeds the benefits under the law.

Permitted Uses of Leave

Paid sick leave may be used for:

- An employee's or family member's illness, injury, or health condition;
- The medical diagnosis, care or treatment of an employee's or family member's mental or physical illness, injury or health condition;
- Preventative medical care for an employee or family member;
- A mental health wellness day; or

Medical care or counseling for an employee who is a victim of family violence or sexual assault; obtaining services from
a victim services organization; relocating; or participating in civil or criminal proceedings related to the family violence or
sexual assault. Parents or guardians of victims may take leave for these purposes as well.

In addition, the new law expands permissible uses of paid sick leave to include the following:

- A determination by a health authority having jurisdiction, an employer of the employee, an employer of a family member or
 a health care provider, that such employee or family member poses a risk to the health of others due to such employee's
 or family member's exposure to a communicable illness, whether or not the employee or family member contracted the
 communicable illness: and
- Closure by order of a public official, due to a public health emergency of either an employer's business or a family member's school or place of care.

The new law expands the definition of "family member" that currently only recognizes a spouse and child. Beginning January 1, 2025, a family member means a spouse, sibling, child, grandparent, grandchild, or parent of an employee or an individual related to the employee by blood or affinity whose close association the employee shows to be equivalent to those family relationships.

Employee Notice to Employer

Currently, if an employee's need to use paid sick leave is foreseeable, an employer may require up to 7 days advance notice. If the leave is unforeseeable, an employer may require notice be given as soon as practicable. For sick leave of 3 or more consecutive days, an employer may require reasonable documentation that the leave is being taken for one of the reasons permitted under the law.

The new law removes the foreseeable notice and documentation requirements. In addition, an employer may not require an employee to provide any documentation that a leave is for one of the reasons permitted under the law.

■ Employer Notice to Employees

Under the current law, employers must provide notice to each employee of their rights under the law upon hire. To comply with the notice requirement, employers may display a poster in a conspicuous place, accessible to employees, at the employer's place of business that contains the information required by the law, in both English and Spanish.

The new law requires employers to post a notice to employees as described above and provide written notice to employees by January 1, 2025. The Connecticut Department of Labor ("CTDOL") will create a model poster and written notice for employers. These materials will be available on the CTDOL's website.

Record Retention

Beginning January 1, 2025, employers will need to retain records, for a period of 3 years, that includes the number of hours of paid sick leave accrued by or provided to an employee and the number of hours used by the employee in the current year.

Anti-Retaliation

Under both laws, an employer may not take retaliatory personnel action or discriminate against an employee because the employee requests or uses earned sick leave either in accordance with this act or the employer's own earned sick leave policy. An employee has a right to file a complaint with the CTDOL for any violation under either law.

Penalties

Under both laws, the CTDOL may assess a civil penalty of not more than \$500 dollars per violation of the law for each employer's retaliatory actions against an employee.

Under both laws, the CTDOL may assess a civil penalty of not more than \$100 dollars for each employer's violation of the laws' provisions.

Employer Action

Employers with 25 or more employees have a relatively short time (until January 1, 2025) to make appropriate changes to their paid sick leave or Paid Time Off policy for Connecticut employees to comply with the requirements of the new law. Employers should work with their employment-law attorney or resource to understand and implement the details of these new rules. Employers will need to update their payroll systems to correctly track and report employees' paid sick leave accruals. In addition, employers should consider how to educate and communicate their paid sick leave policy to human resources personnel, managers, and employees. For example, employers may need to update their employee handbook for this purpose.