



SPECIAL ALERT

MICHIGAN EARNED SICK TIME ACT

The Michigan legislature recently passed the Earned Sick Time Act. Because it may affect them in April, Michigan employers need to understand why this law was passed and how it may change.

This *Special Alert*:

- Describes the situation
- Explains the contents of the Act
- Provides the effective date
- Offers concluding thoughts

It will be interesting to see how this Act evolves over time.

THE SITUATION

MI Time to Care circulated a petition that received enough signatures to put the sick time act on the November ballot. However, under Michigan law, the legislature can pass an act within a specific time frame to avoid putting it on the ballot. The legislature passed the Earned Sick Time Act in time to avoid making it a ballot proposal.

How the law comes into existence matters. When the legislature passes a law, a simple majority

(50 percent) can change it. When a ballot initiative results in a new law, only a super majority (75 percent) can change it.

This is important because there is chatter that the legislature passed this law simply to avoid having it on the November ballot. It is anticipated that the legislature will significantly change the law or perhaps even repeal it after the November election.

This *Special Alert* summarizes the Act's current provisions, but remember they may change later in the year.

CONTENTS OF THE ACT

The Earned Sick Time Act requires employers to provide paid sick time to their employees for specific reasons. It also prohibits employers from retaliating against employees for using their paid sick time. The following are key provisions:

- Employers must provide Michigan employees one hour of paid sick time for every 30 hours worked.



We welcome your comments and suggestions regarding this issue of our Special Alert. For more information, please contact your Account Manager or visit our website at www.mma-mi.com.

Continued on Page 2

- An employer means business, non-profit, educational institute, or government agency (with the exception of the federal government) that has at least one employee. Different rules apply to small businesses that employ fewer than nine employees in a given week.
- Employees appear to include full-time, part-time, temporary and seasonal employees.
- An employer cannot require an employee to find a replacement worker in order to use sick time.
- Earned sick time is paid at an employee's normal hourly wage.
- Sick time can be used as it accrues.
- Employers can require employees hired after April 1, 2019, to wait 19 calendar days after the date of hire before they can use any earned sick time.
- Accrued sick time can be carried forward from year to year. Employees rehired after six months would start accruing sick time from the rehire date. Employees rehired within six months retain any sick leave they accrued before they left.
- If employers already provide paid leave, it:
 - Must be accrued at least at the same rate and at least in the same amount.



- Can be used for the same purposes the Earned Sick Time Act requires.
- An employer must allow employees to use earned sick time for any of the following:
 - A mental or physical illness, injury or condition of an employee or family member
 - A medical diagnosis, care, or treatment for an employee or family member
 - Preventive medical care for an employee or family member
 - Time for care, relocation, obtaining legal

services or obtaining help from victim services for employees or family members who are victims of domestic violence or sexual assault.

- Employees can use sick time to attend meetings at a child's school.
- Employees can use sick time when a place of employment or school is closed because of a public health emergency or if a health care provider determines the employee or family member could pose a threat to health because of exposure to a communicable disease.
- A family member is an employee's spouse, domestic partner, child, ward, parent, guardian,

sibling, grandparent or grandchild or anyone else related by blood or affinity whose close association with the employee would be the equivalent of a relative.

- Employers can require an employee to provide up to seven days advance notice for a foreseeable need.
- If an employee uses sick time for more than three days in a row, an employer can require reasonable proof that it was used for an allowable reason. The employer must pay the cost for that proof.

The act prohibits employers from interfering with, restraining or denying the use or attempted use of earned sick time. Employers cannot retaliate against an employee or former employee using threats, discharge, suspension, demotion, reduced hours, or in any other way.

Employers have to retain records of accrued or earned sick time for at least three years.

Employers must notify employees of these rules. The act requires employers to post a written notice. The state will provide a sample for employers to use.

EFFECTIVE DATE

The proposed effective date is April 1, 2019.

CONCLUDING THOUGHTS

This new rule will affect most employers in Michigan. In many cases, employers already provide accrued time off and for the reasons this law permits. Paying for medical certifications and posting a notice will be new requirements for most employers.

However, it is highly probable this act will change significantly after the November elections. Employers need to be aware of this new act but should wait to take action. Significant change is likely and we should know more toward the end of the year. **MMA**

Copyright Marsh & McLennan Agency LLC company. This document is not intended to be taken as advice regarding any individual situation and should not be relied upon as such. Marsh & McLennan Agency LLC shall have no obligation to update this publication and shall have no liability to you or any other party arising out of this publication or any matter contained herein. Any statements concerning actuarial, tax, accounting or legal matters are based solely on our experience as consultants and are not to be relied upon as actuarial, accounting, tax or legal advice, for which you should consult your own professional advisors. Any modeling analytics or projections are subject to inherent uncertainty and the analysis could be materially affective if any underlying assumptions, conditions, information or factors are inaccurate or incomplete or should change.

Marsh & McLennan Agency LLC

Health & Benefits

3331 West Big Beaver Road, Suite 200
Troy, MI 48084
Telephone: 248-822-8000 Fax: 248-822-4131
www.mma-mi.com

Property & Casualty

15415 Middlebelt Road
Livonia, MI 48154
Telephone: 734-525-0927 Fax: 734-525-0612
www.mma-mi.com

