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October 4, 2016

Board of Commissioners of Cook County Finance Committee Cook County Building, Board Room, 569 118 North Clark Street, Chicago, Illinois 60602

Re: Submission of Written Testimony for Finance Committee Meeting at 10 a.m. on October 5, 2016, on Substitute Bill ID: 16-4229, Establishing Earned Sick Leave for Employees in Cook County

Dear Members of the Board of Commissioners Finance Committee:

On behalf of A Better Balance, I am writing to express our strong support for Substitute Bill # 16-4229, which would establish earned sick leave for employees in Cook County. Based on our work on earned sick leave around the country, and the overwhelmingly positive outcome in the many localities and states that have passed earned sick leave laws, we urge you to approve the proposed ordinance. Thank you for the opportunity to comment on this legislation.

A Better Balance is a national legal advocacy organization dedicated to promoting fairness in the workplace and helping workers meet the conflicting demands of work and family. We believe that workers should not have to face impossible choices between earning a paycheck and caring for themselves or their loved ones.

Our organization provides legal and policy support to earned sick leave campaigns in cities and states throughout the nation, and we have worked on nearly all of the earned sick leave laws that are now in effect. Together with the National Partnership for Women & Families, we drafted a model earned sick leave bill that has been used by advocates around the country, and we have helped to tailor this model bill in dozens of cities and states. Because we are based in New York, we also helped to lead the successful campaign for New York City's earned sick leave law. In addition to working on legal issues, drafting, and implementation related to the New York City law, we are now working on the ground in the city to enforce the law and represent workers with complaints.

A growing number of states and localities have earned sick leave laws on the books. As of last month, there are 36 earned sick leave laws that are or will soon be in effect, including laws in 5 states, 30 localities, and Washington D.C. Despite concerns raised by opponents before these laws were passed, a growing body of research shows that they are working well for employees, employers, and the localities and states that have implemented them. We are confident that the Cook County bill, which in many regards is modest when compared to most of the laws

passed around the country, will be a success as well.

Cook County has an important opportunity to build on Chicago's earned sick leave law, which was an important first step in the region. A Cook County earned sick leave law will extend these critical protections to more workers throughout the County, and ensure that no workers in Cook County are forced to choose between a paycheck and personal or family health. We encourage the County to adopt the proposed substitute ordinance, which follows the same parameters as the recently passed Chicago earned sick leave law. By keeping the Cook County law as similar as possible to the Chicago ordinance, implementation will be smoother and easier for employers, employees, and the County.

We urge the Board of Commissioners to consider the growing body of research on earned sick leave laws. On the first anniversary of New York City's earned sick leave law, the city released a report touting the law's successful implementation and noting, "[a]s we've seen success in the law's implementation, we've seen strength in the economy. Since the law went into effect on April 1, 2014, the city has had steady job growth and the lowest unemployment in six years." The city further reported that "New York City's economy has thrived since the enactment of PSL [paid sick leave]. Between January 2014 and January 2015, a period that covers the law's implementation, economic indicators were a cause for celebration, not concern as many had predicted "3

A recently released report also shows that New York City's earned sick leave law has worked well for business. An overwhelming 98% of employers reported no known cases of abuse of earned sick leave. As one restaurant owner put it, the misuse he feared prior to the law's passage "didn't happen. No one has taken a paid sick day because they just didn't feel like coming in that day. There is no abuse." The survey also found that employees are cautious in their use of sick time; as one employer stated "[p]eople ration it. People want to save it up in case something serious happens." Most employers were able to cover absences with cost-free measures, such as temporarily reassigning duties to other employees or putting some work on hold. Given these results, employers in New York City have a positive view of the earned sick leave law; 86% of employers surveyed now described themselves as supportive of the law, with more than half saving they were "very supportive."8

¹ In several key ways, the proposed Cook County ordinance—like the Chicago earned sick leave law—is more modest than many of the paid sick time laws in effect, such as the proposed ordinance's 180-day waiting period before accrued sick leave can be used, the restriction on carry forward to 20 hours at the end of a year, and the law's accrual rate of 1 hour for every 40 hours worked. For a comparison of all paid sick time laws in the United States, see A Better Balance's chart at http://www.abetterbalance.org/web/images/stories/Documents/sickdays/factsheet/PSDchart.pdf

² New York City Department of Consumer Affairs (2015, June) NYC's Paid Sick Leave Law: First Year Milestones, p. 4, available at: http://www1.nyc.gov/assets/dca/downloads/pdf/about/PaidSickLeaveLaw-FirstYearMilestones.pdf

⁴ Eileen Appelbaum and Ruth Milkman, Center for Economic and Policy Research and the Murphy Institute of the City University of New York (2016, September) No Big Deal: The Impact of New York City's Paid Sick Days Law on Employers, p. 4, available at: http://cepr.net/images/stories/reports/nyc-paid-sick-days-2016-09.pdf

Id., p. 18. ⁶ *Id.*, p. 16.

⁷ Id., p. 19.

⁸ Id., p. 28.

The New York City experience is not a unique one. Across the country, earned sick leave laws have generated similarly positive results. The City and County of San Francisco passed the country's first earned sick leave law, guaranteeing up to 72 hours of paid sick time to employees of larger employers and up to 40 hours of paid sick time to employees of the smallest employers. Following implementation of the law, job growth in San Francisco was stronger than in surrounding counties. Several years after the law's passage, the Senior Vice President of the San Francisco Chamber of Commerce told the *Wall Street Journal* that the law's effects on business have been minimal, stating that "[i]t has not been a huge issue that we have heard from our members about." 10

The Washington D.C. Auditor reported "that the Accrued Sick and Safe Leave Act did not have the economic impact of encouraging business owners to move a business from the District nor did the Act have the economic impact of discouraging business owners to locate a business in the District of Columbia." A study on Seattle's earned sick leave law showed "no widespread negative economic impact as some opponents of the ordinance feared. Since institution of Seattle's paid sick and safe leave ordinance, King County has continued to outpace the state in job growth, and Seattle has maintained its share of King County's businesses and revenues, including in the retail and food services sectors. No pattern of business flight from Seattle is evident." In Jersey City, NJ, research showed that the city's earned sick leave law was implemented smoothly with benefits on employee productivity and turnover; based in part on such research, the Mayor of Jersey City subsequently expanded the earned sick leave law.

In conclusion, A Better Balance strongly supports the modest, proposed earned sick leave ordinance, which will build on the momentum of the similar Chicago law, provide essential job and economic security to workers in Cook County, reduce contagious illnesses in the workplace, and increase employee productivity and retention. As detailed in this testimony, there is a robust body of research showing that earned sick leave laws are working well for both employees and employers. Based on these studies, we urge the County to adopt the proposed ordinance without amendments or delay.

Thank you again for the opportunity to submit written testimony. If you have any questions or would like additional information, please contact me at 212-430-5982 or jmake@abetterbalance.org.

Sincerely,

Jared Make Senior Staff Attorney A Better Balance

⁹ Kevin Miller and Sarah Towne, IWPR (2011, September) San Francisco Employment Growth Remains Stronger with Paid Sick Days Law Than Surrounding Counties, p. 1, available at http://www.iwpr.org/publications/pubs/san-francisco-employment-growth-remains-stronger-with-paid-sick-days-law-than-surrounding-counties

http://www.nj.com/hudson/index.ssf/2015/04/rutgers_study_calls_jersey_citys_paid_sick.html

Aaron Rutkoff, *Wall Street Journal* (2010, May 13) "Will Sick Days Cost Billions for NYC Businesses? San Francisco Says No," available at: blogs.wsj.com/metropolis/2010/05/13/will-sick-days-costs-billions-for-businesses-san-francisco-says-no/

¹¹ Yolanda Branche, D.C. Auditor, Office of the District of Columbia Auditor (2013, June 19) *Audit of the Accrued Sick and Safe Leave Act of 2008*, p. 19, available at: www.dcauditor.org/sites/default/files/DCA092013.pdf

¹² The Main Street Alliance of Washington (2013, September) *Paid Sick Days and the Seattle Economy*, p. 4, available at: www.eoionline.org/wp/wp-content/uploads/PSD-1-Year-Report-Final.pdf

¹³ See Terrence McDonald, The Jersey Journal (2015, April 1) "Benefits 'Evident' in Jersey City Paid Sick Time Law, Rutgers Study Finds," available at