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Client Alert

Connecticut Greatly Expands Its Sick Leave Law

WHAT'S NEW: On May 21, 2024, Connecticut Governor Ned Lamont signed a bill that expands the state's existing sick leave laws. The updated law goes into effect January 1, 2025.

WHY IT MATTERS: The updated law:

1) expands permitted use of sick time,
2) increases the threshold for employers required to comply with the law, and
3) creates opportunities for more workers to be eligible for paid sick time by expanding coverage to include most employees, not just "service workers."

By 2027, all Connecticut employees will be eligible for paid sick leave, with limited exceptions.

This expansion of sick leave benefits aligns Connecticut with its tri-state partners, New York, and New Jersey.

The exceptions are:

- Employers of individuals who are members "of a construction-related tradesperson employee organization that is a party to a multiemployer health plan" and
- "Seasonal employees" defined as employees who work 120 days or less in any year.

The updated law lowers the threshold number of employees required to trigger coverage under the Paid Sick Leave Law.

The threshold will change incrementally over the next three years:

- As of January 1, 2025, the law will apply to all employers that employ 25 or more individuals in the state.
- As of January 1, 2026, the law will apply to all employers that employ 11 or more individuals in the state.
- As of January 1, 2027, the law will apply to all employers that employ at least one person in the state.

The formula for calculating employees' sick leave has changed.

- Under the current law, eligible employees accrue one hour of sick leave for every 40 hours worked.
- Under the new law, employees will accrue one hour of paid sick leave for every 30 hours worked.

Eligible employees will still be able to carry over up to 40 hours of unused and accrued paid sick leave to the following year, but they cannot use more than 40 hours of paid sick leave in a calendar year.

A major change to the carryover provisions allows employers to provide the annual maximum of 40 hours of paid sick leave upfront in lieu of accruing, but the upfront bank must be immediately available to employees.

Additional use of paid sick leave. Under the new law, expanded reasons include:

- Closure by order of a public health official, due to a public health emergency, of the employer's place of business, a family member's school, or a family member's place of care due, and

- A determination by an employer of the employee, an employer of an employee's family member, a health authority with jurisdiction, or a health care provider that an employee or the employee's family member poses a risk to the health of others due to the employee's or family member's exposure of a communicable illness.

- A "mental health wellness day". Employees may use their leave to take a "mental health wellness day," which is defined as a day during which the employee "attends to their emotional and psychological well-being in lieu of attending a regularly scheduled shift."

WHAT EMPLOYERS SHOULD DO

Connecticut employers should determine whether they are now, or will be, covered by the Paid Sick Leave Law as of January 1, 2025. If so, by January 1, 2025, they should:

- review and update their sick leave policy to cover the expanded reasons for using paid sick leave,
- establish the required recordkeeping procedures,
- track the number of paid sick leave hours allotted to, accrued by and used by each employee annually, and provide the information on each covered employee's pay stub, and
- distribute the Connecticut Department of Labor's updated Paid Sick Leave notice and display the poster. (The poster is not yet available on the Connecticut Department of Labor site).

Employers with fewer than 25 Connecticut employees must track the number of Connecticut-based staff to ensure compliance with the new thresholds.

Please reach out to your Engage HR Partner if you have any questions concerning this alert or other HR-related matters.