

# News Release



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## **New Report: San Francisco Paid Sick Days Legislation Benefits Employers and Employees**

*Employers and employees (English- and Spanish-speaking)  
impacted by legislation available for comment.*

**Audio Press Conference: Thursday, February 10, 11 a.m. PT/2 p.m. ET**

**Toll-free Dial-in #: 1-888-567-1602**

WASHINGTON, DC—Recent surveys conducted for the Institute for Women's Policy Research (IWPR) find that both businesses and employees in San Francisco were generally in support of the nation's first paid sick days legislation. More than half of covered employees report some benefit due to the law, and one out of four workers reported that they were better able to care for their own and their families' health. Two-thirds of employers are supportive of the paid sick days policy.

“San Francisco's policy helped parents, workers with chronic diseases, low-wage workers, and others, with minimal impact on employers,” said Vicky Lovell, former IWPR Acting Director of Research and co-author on the report. “The Paid Sick Leave Ordinance serves as a model for the rest of the country.”

As a result of the San Francisco Paid Sick Leave Ordinance (PSLO) enacted in 2007, 17 percent of San Francisco's workforce (59,000 employees) are newly covered. Under the PSLO, any part- or full-time employee who works in San Francisco—even for a company that is based elsewhere—earns one hour of paid sick time for every thirty hours worked.

Surveys of over 700 employers and nearly 1,200 employees found that two-thirds of employers support the law. Only one in seven employers reported adverse effects on profitability. The report released today, *San Francisco's Paid Sick Leave Ordinance: Outcomes for Employers and Employees* by Robert Drago, Ph.D., and Vicky Lovell, Ph.D., outlines the findings of the survey.

“The law makes sense and creates a better, less stressful work environment,” said Sam Mogannam, owner of Bi-Rite Market in San Francisco. “We even took it a step further and pay out any time accrued when an employee leaves our organization, not required under the current law which is ‘use it or lose it.’”

Costs or penalties to employees as a result of the PSLO are rare, with only a small proportion of employees reporting fewer raises or bonuses, or reductions in other benefits. Employees do not tend to abuse paid sick days, instead saving the hours for a rainy day and most use fewer than the maximum allotment.

“Employees in San Francisco treat paid sick days very much like insurance, using them as needed,” said Robert Drago, Research Director at IWPR and a co-author of the report. “Indeed, the rate we found is very similar to nationwide figures for all employees who have paid sick days.”

PSLO may result in reduced employee turnover, as research has shown that employees are healthier and more productive when they have access to paid sick days.

The implementation of the legislation has also had public health benefits: One out of eight workers with public contact in workplaces—such as restaurants and retail establishments—reported that the paid sick days made it less likely for them to come to work when sick.

Instances of non-compliance were reported mainly among small businesses. Among employers with fewer than 10 workers, one-quarter implemented a new paid sick days policy in response to the PSLO, but one-third did not have a paid sick days policy at the time of the survey. Nearly all firms with 10 or more workers offered paid sick days at the time of the survey, and about one in five had enacted one or more changes in response to the PSLO.

Overall, the PSLO appears to be functioning well. More education and enforcement may be needed to address remaining instances of employer non-compliance.

**To reach the authors of the report or an employer who is willing to comment on the impact of the legislation on his business, please contact Caroline Dobuzinskis at [dobuzinskis@iwpr.org](mailto:dobuzinskis@iwpr.org) or by phone at 202.785.5100.**

*About the Institute for Women’s Policy Research IWPR conducts rigorous research and disseminates its findings to address the needs of women and their families, promote public dialogue, and strengthen communities and societies. IWPR is a 501(c)(3) tax-exempt organization that also works in affiliation with the women’s studies and public policy programs at George Washington University.*