

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-3641/1 MED&GMM:emw&wlj

2015 SENATE BILL 352

October 29, 2015 – Introduced by Senators Harris Dodd, C. Larson, Lassa, Miller, Risser, L. Taylor and Wirch, cosponsored by Representatives Mason, Sargent, Barnes, Berceau, Bowen, Brostoff, Considine, Genrich, Goyke, Hesselbein, Johnson, Jorgensen, Kessler, Ohnstad, Riemer, Shankland, Sinicki, Subeck, C. Taylor, Young and Zamarripa. Referred to Committee on Labor and Government Reform.

- AN ACT to repeal 230.35 (2m); to amend 38.28 (5), 50.05 (7) (h), 103.04 (1),
- 2 111.322 (2m) (a), 111.322 (2m) (b), 111.91 (2) (f), 230.26 (4), 230.35 (2) and 253.10
 - (3) (d) 1.; and *to create* 103.11 of the statutes; **relating to:** paid sick leave.

Analysis by the Legislative Reference Bureau

Current law

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Family and medical leave. Under current law, an employer, including the state, that employs at least 50 individuals on a permanent basis must permit an employee who has been employed by the employer for more than 52 consecutive weeks and who has worked for the employer for at least 1,000 hours during the preceding 52 weeks to take up to eight weeks of family leave in a 12-month period and up to two weeks of medical leave in a 12-month period. Family leave may be taken for the birth or adoptive placement of a new child or to care for a child, spouse, or parent who has a serious health condition. Medical leave may be taken when the employee has a serious health condition that makes the employee unable to perform the employee's employment duties. An employee is not entitled to receive wages or salary while taking family or medical leave, but may substitute, for portions of family or medical leave, other types of paid or unpaid leave provided by the employer.

The bill

Paid sick leave. This bill requires an employer, including the state, that employs at least one individual full–time or part–time on a permanent or temporary basis to provide an employee who has been employed by the employer for at least 90 consecutive calendar days with paid sick leave at the employee's regular rate of pay that the employee may use for any of the following reasons:

- 1. Because the employee has a physical or mental illness, injury, impairment, or condition (health condition); is in need of medical diagnosis, care, or treatment of a health condition; or is in need of preventive medical care.
- 2. To care for a family member who has a health condition; who is in need of medical diagnosis, care, or treatment of a health condition; or who is in need of preventive medical care. The bill defines "family member" as a spouse or domestic partner of the employee; a parent, child, sibling, including a foster sibling, brother-in-law, sister-in-law, grandparent, stepgrandparent, or grandchild of an employee or of an employee's spouse or domestic partner; or any other person who is related by blood, marriage, or adoption to an employee or to an employee's spouse or domestic partner and whose close association with the employee, spouse, or domestic partner makes the person the equivalent of a family member of the employee, spouse, or domestic partner.
- 3. Because the employee's absence from work is necessary in order for the employee to do any of the following:
- a. Seek medical attention or obtain psychological or other counseling for the employee or a family member to recover from any health condition caused by domestic abuse, sexual abuse, or stalking.
- b. Obtain services for the employee or a family member from an organization that provides services to victims of domestic abuse, sexual abuse, or stalking.
- c. Relocate the residence of the employee or of a family member due to domestic abuse, sexual abuse, or stalking.
- d. Initiate, prepare for, or testify, assist, or otherwise participate in any civil or criminal action or proceeding relating to domestic abuse, sexual abuse, or stalking.

Accrual of paid sick leave. Under the bill, an employee accrues paid sick leave beginning on the first day of employment at the rate of one hour for each 30 hours worked, subject to a maximum of 72 hours of accrued paid sick leave in a calendar year, except that if the employee is employed by an employer that employed fewer than an average of ten employees per week on a permanent or temporary basis during the preceding calendar year (small business), the employee may accrue a maximum of 40 hours of paid sick leave in a calendar year. Paid sick leave accrued carries over from year to year, but an employee may use no more than 72 hours of paid sick leave in a calendar year or, if the employee is employed by a small business, the employee may use no more than 40 hours of paid sick leave in a calendar year. An employee's unused balance of paid sick leave is reduced by one hour for each hour or portion of an hour of paid sick leave used by the employee and has no cash value on termination of employment.

Employee rights. Under the bill, an employee has all of the following rights: 1) the right to accrue and use paid sick leave as provided under the bill; 2) the right not to be subjected to any act prohibited under the bill; 3) the right to file a complaint with the Department of Workforce Development (DWD) for a violation of the bill and to inform any person about an alleged violation of the bill; and 4) the right to inform any person about any of the rights provided under the bill.

Prohibited acts. The bill prohibits all of the following:

- 1. Interfering with, restraining, or denying the exercise of any of the rights provided under the bill.
- 2. Requiring, as a condition of using paid sick leave, that an employee search for or find a substitute employee to replace the employee while the employee is on paid sick leave.
- 3. Imposing unreasonable barriers to the use of paid sick leave or requiring, as a condition of using paid sick leave, that an employee provide unreasonable documentation of the health condition of the employee or family member, disclose the details of that health condition, or disclose any information about the domestic abuse, sexual abuse, or stalking that necessitated the employee's absence from work. If an employer obtains any information about that health condition or that domestic abuse, sexual abuse, or stalking, the employer must keep that information confidential and may not disclose that information except to the employee or to other persons with the consent of the employee.
- 4. Treating paid sick leave used under the bill as an absence from work that may lead to or result in an adverse employment action; treating the use of such paid sick leave as a negative factor in hiring, evaluating, or promoting an employee; or reducing or denying any benefit or privilege of employment because an employee uses paid sick leave under the bill.
- 5. Discharging or in any other manner discriminating against any individual for opposing a practice prohibited under the bill, for filing a complaint or attempting to enforce any right provided under the bill, or for testifying or assisting in any action or proceeding to enforce any right provided under the bill.

DWD may order any person who violates any of those prohibitions to take action to remedy the violation, including providing the requested paid sick leave, reinstating an employee, providing up to two years of back pay, and paying reasonable actual attorney fees.

Notice and records. Finally, the bill requires each employer to provide notice to its employees of the rights of employees under the bill. An employer may comply with this requirement by: 1) providing each employee with a notice in a form approved by DWD setting forth in English, Spanish, and Hmong the rights of employees under the bill; and 2) posting, in one or more conspicuous places where notices to employees are customarily posted, a notice in a form approved by DWD setting forth in English, Spanish, and Hmong the rights of employees under the bill. The bill also requires employers to keep full and accurate records of the number of hours worked and paid sick leave used by their employees, to retain those records for five years after the hours are worked or the paid sick leave is used, and to furnish those records to DWD on request.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

Section 1. 38.28 (5) of the statutes is amended to read:

38.28 (5) State aid shall not be paid to a district for any year, unless every teacher, administrator, principal, and supervisor employed by the district during that year is under a contract providing for leave of absence by reason of sickness of such person, without deduction from salary, for not less than 5 days per year or the leave accrued under s. 103.11 (3) (b), whichever is greater, and for accumulation of unused sick leave from year to year to a total of not less than 30 days. No allowance may be paid for such absences from teaching or other educational services rendered in evening school by any person employed at least 30 hours per week in day school. This subsection does not apply Section 103.11, rather than this subsection, applies to a person employed by the district board for less than 30 hours per week.

SECTION 2. 50.05 (7) (h) of the statutes is amended to read:

50.05 (7) (h) Shall have full power to direct and manage and to discharge employees of the facility, subject to any contract rights they may have. The receiver shall pay employees at the same rate of compensation, including benefits, that the employees would have received from the operator, except that the receiver shall compensate employees for time actually worked during the period of receivership and may, subject to s. 103.11 (3), reimburse for vacations or periods of sick leave. The receiver may grant salary increases and fringe benefits to employees of a nursing home, in accord with the facility payment formula under s. 49.45 (6m). Receivership does not relieve the operator of any obligation to employees not carried out by the receiver.

SECTION 3. 103.04 (1) of the statutes is amended to read:

103.04 (1) The commission shall issue its decision in any case where a petition
for review is filed under ch. 102 or 108 or s. 66.191, 1981 stats., or s. 40.65 (2), <u>103.11</u> ,
106.52 (4), 106.56 (4), 111.39, 303.07 (7) or 303.21.
Section 4. 103.11 of the statutes is created to read:
103.11 Paid sick leave. (1) Definitions. In this section:

- (a) "Adverse employment action" means an action taken by an employer with respect to an employee that has the effect, in whole or in part, of a penalty, including dismissal or suspension from employment, demotion, denial of a promotion, unfavorable transfer or reassignment, reduction in compensation, or denial of increased compensation.
- (b) "Child" means a natural, adopted, or foster child, a stepchild, or a legal ward to whom any of the following applies:
 - 1. The individual is less than 18 years of age.
- 2. The individual is 18 years of age or older and cannot care for himself or herself because of a health condition or is the victim of domestic abuse, sexual abuse, or stalking.
 - (c) "Domestic abuse" has the meaning given in s. 968.075 (1) (a).
- (d) "Employee" means an individual employed in this state by an employer, except the employer's parent, spouse, domestic partner, or child.
- (e) "Employer" means a person engaging in any activity, enterprise, or business in this state employing one or more persons full-time or part-time on a permanent or temporary basis. "Employer" includes the state and any office, department, independent agency, authority, institution, association, society, or other body in state government created or authorized to be created by the constitution or any law, including the legislature and the courts.

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- (f) "Family member" means a spouse or domestic partner, as defined in s. 40.02 (21c) or 770.01 (1), of an employee; a parent, child, sibling, including a foster sibling, brother-in-law, sister-in-law, grandparent, stepgrandparent, or grandchild of an employee or of an employee's spouse or domestic partner; or any other person who is related by blood, marriage, or adoption to an employee or to an employee's spouse or domestic partner and whose close association with the employee, spouse, or domestic partner makes the person the equivalent of a family member of the employee, spouse, or domestic partner.
- (g) "Health condition" means a physical or mental illness, injury, impairment, or condition.
- (h) "Parent" means a natural parent, foster parent, adoptive parent, stepparent, or legal guardian of an employee or of an employee's spouse or domestic partner.
- (i) "Regular work week" means an employee's regular work week as established by his or her employer, except that for an employee who is exempt under 29 USC 213 (a) (1) from the overtime compensation requirement of 29 USC 207 (a) (1) and whose regular work week as established by his or her employer is not less than a work week of 40 hours, "regular work week" means a work week of 40 hours.
- (j) "Sexual abuse" means conduct that is in violation of s. 940.225, 944.30, 948.02, 948.025, 948.05, 948.051, 948.055, 948.06, 948.085, 948.09, or 948.10 or that is in violation of s. 940.302 (2) if s. 940.302 (2) (a) 1. b. applies.
- (k) "Small business" means an employer that during the preceding calendar year employed fewer than an average of 10 employees per week on a permanent or temporary basis, including both full-time and part-time employees and including employees who are placed with, leased to, or otherwise provided to the employer by

- a temporary help agency, as defined in s. 102.01 (2) (f), or by a professional employer organization, as defined in s. 202.21 (5).
- (L) "Stalking" means to engage in a course of conduct, as defined in s. 940.32 (1) (a), that meets the criteria of s. 940.32 (2) (a).
- (2) Scope. (a) Nothing in this section prohibits an employer from providing employees with rights to paid sick leave that are more generous to the employee than the rights provided under this section.
- (b) This section does not limit or diminish an employee's rights or benefits under ch. 102.
- (c) For purposes of accruing paid sick leave under sub. (3) (b), this section applies to any employee employed in this state, including any temporary or part-time employee, beginning on the first day of employment, and for purposes of using paid sick leave under sub. (4), this section applies only to an employee who has been employed by the same employer for at least 90 consecutive calendar days.
- (3) Provision and accrual of paid sick leave. (a) An employer shall provide an employee who has been employed by the employer for at least 90 consecutive calendar days with paid sick leave at the employee's regular rate of pay as provided in this subsection. An employer may meet the requirement under this paragraph by providing paid leave that an employee may use for the reasons specified in sub. (4), so long as the employee accrues that paid leave at a rate that is no less than the rate specified in par. (b).
- (b) An employee shall accrue paid sick leave for each hour worked in the employee's regular work week at the rate of one hour for each 30 hours worked, subject to a maximum of 72 hours of accrued paid sick leave in a calendar year or, if the employer is a small business, subject to a maximum of 40 hours of accrued paid

sick leave in a calendar year. Paid sick leave under this paragraph shall accrue in one-hour increments.

- (c) Paid sick leave accrued shall carry over from year to year, but an employee may use no more than 72 hours of paid sick leave in a calendar year or, if the employee is employed by a small business, the employee may use no more than 40 hours of paid sick leave in a calendar year. An employee's unused balance of paid sick leave shall be reduced by one hour for each hour or portion of an hour of paid sick leave used by the employee under sub. (4).
- (d) Unused paid sick leave shall have no cash value on termination of employment. If an employee returns to work for a former employer, the employer is not required to restore unused paid sick leave accrued during the former employment or to count days worked during the former employment toward the 90-day requirement under par. (a), except that if the employee returns to work for a former employer within one year after separation from employment, the employer shall restore unused paid sick leave accrued during the former employment and shall count days worked during the former employment toward the 90-day requirement under par. (a).
- (4) Use of paid sick leave that the employee has accrued under sub. (3) (b) for any of the following reasons:
- (a) Because the employee has a health condition, is in need of medical diagnosis, care, or treatment of a health condition, or is in need of preventive medical care.
- (b) To care for a family member who has a health condition, who is in need of medical diagnosis, care, or treatment of a health condition, or who is in need of preventive medical care.

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- (c) Because the employee's absence from work is necessary in order for the employee to do any of the following: 1. Seek medical attention or obtain psychological or other counseling for the employee or a family member to recover from any health condition caused by domestic abuse, sexual abuse, or stalking. 2. Obtain services for the employee or a family member from an organization that provides services to victims of domestic abuse, sexual abuse, or stalking. 3. Relocate the residence of the employee or of a family member due to domestic abuse, sexual abuse, or stalking. 4. Initiate, prepare for, or testify, assist, or otherwise participate in any civil or criminal action or proceeding relating to domestic abuse, sexual abuse, or stalking. (5) EMPLOYEE RIGHTS. An employee's rights under this section shall include all of the following: (a) The right to accrue and use paid sick leave as provided in subs. (3) and (4). (b) The right not to be subjected to a prohibited act under sub. (6). (c) The right to file a complaint under sub. (7) for a violation of sub. (6) (a) or under s. 111.39 for a violation described in sub. (6) (b) and to inform any person about such a violation. The protection under this paragraph extends to an employee who mistakenly, but in good faith, alleges such a violation. (d) The right to inform any person about any of the rights provided under this section. (6) PROHIBITED ACTS. (a) No person may do any of the following:
- 1. Interfere with, restrain, or deny the exercise of any right provided under this section.

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- 2. Require, as a condition of using paid sick leave, that an employee search for or find a substitute employee to replace the employee while the employee is on paid sick leave.
- 3. Impose unreasonable barriers to the use of paid sick leave or require, as a condition of using paid sick leave, that an employee provide unreasonable documentation of the health condition of the employee or family member, disclose the details of that health condition, or disclose any information about the domestic abuse, sexual abuse, or stalking that necessitated the employee's absence from work. If an employer obtains any information about that health condition or that domestic abuse, sexual abuse, or stalking, the employer shall keep that information confidential and may not disclose that information except to the employee or to other persons with the consent of the employee.
- 4. Treat paid sick leave used under this section as an absence from work that may lead to or result in an adverse employment action, treat the use of such paid sick leave as a negative factor in hiring, evaluating, or promoting an employee, or reduce or deny any benefit or privilege of employment because an employee uses paid sick leave under this section.
- 5. Discharge or in any other manner discriminate against any individual for opposing a practice prohibited under this section.
- (b) Section 111.322 (2m) applies to discharge or other discriminatory acts arising in connection with any proceeding under this section.
- (7) ADMINISTRATIVE PROCEEDING. (a) An employee who believes that his or her employer has violated sub. (6) (a) may, within 90 days after the violation occurs or the employee should reasonably have known that the violation occurred, whichever is later, file a complaint with the department alleging the violation. The department

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- shall investigate the complaint and shall attempt to resolve the complaint by conference, conciliation, or persuasion. If the complaint is not resolved and the department finds probable cause to believe a violation has occurred, the department shall proceed with notice and a hearing on the complaint as provided in ch. 227. The hearing shall be held within 60 days after the department receives the complaint.
- (b) The department shall issue its decision and order within 30 days after the hearing. If the department finds that an employer violated sub. (6) (a), it may order the employer to take action to remedy the violation, including providing the requested paid sick leave, reinstating an employee, providing back pay accrued not more than 2 years before the complaint was filed, and paying reasonable actual attorney fees to the complainant.
- (c) A respondent or complainant who is dissatisfied with the decision and order of the hearing examiner may file a written petition with the department for review by the commission of the decision and order.
- (d) If no petition is filed within 21 days after the date on which the department mails a copy of the decision and order to the last–known addresses of the respondent and the complainant, the decision and order shall be considered final. If a timely petition is filed, the commission, on review, may either affirm, reverse, or modify the decision and order in whole or in part, or set aside the decision and order and remand the case to the department for further proceedings. Those actions shall be based on a review of the evidence submitted. If the commission is satisfied that a respondent or complainant has been prejudiced because of exceptional delay in the receipt of a copy of the decision and order, the commission may extend for another 21 days the time for filing the petition with the department.

- (e) On motion of the respondent or complainant, the commission may set aside, modify, or change any decision made by the commission, at any time within 28 days after the date of the decision if the commission discovers any mistake in the decision, or upon the grounds of newly discovered evidence. The commission may on its own motion, for reasons it considers sufficient, set aside any final decision of the commission within one year after the date of the final decision upon grounds of mistake or newly discovered evidence and remand the case to the department for further proceedings.
- (f) A respondent or complainant who is dissatisfied with a decision of the commission under par. (d) or (e) may seek judicial review of that decision under ss. 227.52 to 227.58 by filing a petition for review under s. 227.53 within 30 days after the date on which the commission mails a copy of the decision to the last–known addresses of the respondent and the complainant.
- (8) Notice; Records. (a) Each employer shall provide notice to its employees of the rights of employees under this section. An employer may comply with this requirement by doing all of the following:
- 1. Providing each employee of the employer with a notice in a form approved by the department setting forth in English, Spanish, and Hmong the rights of employees under this section.
- 2. Posting, in one or more conspicuous places where notices to employees are customarily posted, a notice in a form approved by the department setting forth in English, Spanish, and Hmong the rights of employees under this section.
- (b) Each employer shall keep full and accurate records of the number of hours worked and paid sick leave used by its employees, shall retain those records for 5

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years after the hours are worked or the paid sick leave is used, and shall furnish those 1 2 records to the department on request. 3 **Section 5.** 111.322 (2m) (a) of the statutes is amended to read: 4 111.322 (2m) (a) The individual files a complaint or attempts to enforce any 5 right under s. 103.02, 103.10, 103.11, 103.13, 103.28, 103.32, 103.34, 103.455, 103.50, 104.12, 109.03, 109.07, 109.075, 146.997, or 995.55, or ss. 101.58 to 101.599 6 7 or 103.64 to 103.82. 8 **Section 6.** 111.322 (2m) (b) of the statutes is amended to read: 9 111.322 (2m) (b) The individual testifies or assists in any action or proceeding 10 held under or to enforce any right under s. 103.02, 103.10, 103.11, 103.13, 103.28, 11 103.32, 103.34, 103.455, 103.50, 104.12, 109.03, 109.07, 109.075, 146.997, or 995.55, 12 or ss. 101.58 to 101.599 or 103.64 to 103.82. 13 **Section 7.** 111.91 (2) (f) of the statutes is amended to read: 14 111.91 (2) (f) Family leave and medical leave rights below the minimum 15 afforded under the federal Family and Medical Leave Act of 1993, 29 USC 2601 to 2654, and s. 103.10 and paid sick leave rights below the minimum afforded under s. 16 17 103.11. Nothing in this paragraph prohibits the employer from bargaining on rights to family leave or medical leave which that are more generous to the employee than 18 the rights provided under the federal Family and Medical Leave Act of 1993, 29 USC 19 20 2601 to 2654, and s. 103.10 or on rights to paid sick leave that are more generous to 21 the employee than the rights provided under s. 103.11. 22 **Section 8.** 230.26 (4) of the statutes is amended to read: 23 Fringe benefits specifically authorized by statutes, with the 230.26 (4) 24 exception of paid sick leave under s. 103.11, deferred compensation plan

participation under subch. VII of ch. 40, worker's compensation, unemployment

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insurance, group insurance, retirement, and social security coverage, shall be denied employees hired under this section. Such employees may not be considered permanent employees and do not qualify for tenure, vacation, paid holidays, sick leave <u>under s. 230.35 (2)</u>, performance awards, or the right to compete in promotional examinations.

Section 9. 230.35 (2) of the statutes is amended to read:

230.35 (2) Leave of absence with pay owing to sickness, other than paid sick leave under s. 103.11, and leave of absence without pay, other than annual leave and leave under s. 103.10, shall be regulated by rules of the director, except that unused sick leave shall accumulate from year to year. After July 1, 1973, employees appointed to career executive positions under the program established under s. 230.24 or positions designated in s. 19.42 (10) (L) or 20.923 (4), (7), (8), and (9) or authorized under s. 230.08 (2) (e) shall have any unused sick leave credits restored if they are reemployed in a career executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (7), (8), and (9) or authorized under s. 230.08 (2) (e), regardless of the duration of their absence. Restoration of unused sick leave credits if reemployment is to a position other than those specified above shall be in accordance with rules of the director.

SECTION 10. 230.35 (2m) of the statutes is repealed.

Section 11. 253.10 (3) (d) 1. of the statutes is amended to read:

253.10 (3) (d) 1. Geographically indexed materials that are designed to inform a woman about public and private agencies, including adoption agencies, and services that are available to provide information on family planning, as defined in s. 253.07 (1) (a), including natural family planning information, to provide ultrasound imaging services, to assist her if she has received a diagnosis that her

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unborn child has a disability or if her pregnancy is the result of sexual assault or incest and to assist her through pregnancy, upon childbirth and while the child is The materials shall include a comprehensive list of the agencies available, a description of the services that they offer and a description of the manner in which they may be contacted, including telephone numbers and addresses, or, at the option of the department, the materials shall include a toll-free, 24-hour telephone number that may be called to obtain an oral listing of available agencies and services in the locality of the caller and a description of the services that the agencies offer and the manner in which they may be contacted. The materials shall provide information on the availability of governmentally funded programs that serve pregnant women and children. Services identified for the woman shall include medical assistance for pregnant women and children under s. 49.47 (4) (am) and 49.471, the availability of family or medical leave under s. 103.10 and of paid sick leave under s. 103.11, the Wisconsin works program under ss. 49.141 to 49.161, child care services, child support laws and programs and the credit for expenses for household and dependent care and services necessary for gainful employment under section 21 of the Internal Revenue Code. The materials shall state that it is unlawful to perform an abortion for which consent has been coerced, that any physician who performs or induces an abortion without obtaining the woman's voluntary and informed consent is liable to her for damages in a civil action and is subject to a civil penalty, that the father of a child is liable for assistance in the support of the child, even in instances in which the father has offered to pay for an abortion, and that adoptive parents may pay the costs of prenatal care, childbirth and neonatal care. The materials shall include information, for a woman whose pregnancy is the result of sexual assault or incest, on legal protections available to the woman and her child

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if she wishes to oppose establishment of paternity or to terminate the father's
parental rights. The materials shall include information on services in the state that
are available for victims or individuals at risk of domestic abuse.

SECTION 12. Initial applicability.

(1) Collective Bargaining agreements. This act first applies to an employee who is affected by a collective bargaining agreement that contains provisions inconsistent with this act on the day on which the collective bargaining agreement expires or is extended, modified, or renewed, whichever occurs first.

SECTION 13. Effective date.

(1) This act takes effect on the first day of the 3rd month beginning after publication.

12 (END)