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## **City of Philadelphia Issues Guidelines Related to New Sick Leave Ordinance for City Contractors**

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**Author:**

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The City of Philadelphia has recently issued guidelines expanding on the recent amendment to its minimum wage and benefit ordinance, the Philadelphia 21st Century Minimum Wage Standard, which requires covered employers to provide paid sick leave to all full-time, non-temporary, non-seasonal employees.

Employers covered under the change include: 1) the City of Philadelphia and its agencies; 2) for-profit service contractors that receive or are subcontractors on contracts exceeding \$10,000 from the city in a 12-month period; 3) non-profit service contractors that receive or are subcontractors on contracts from the city exceeding \$100,000 in a 12-month period; 4) recipients of city leases, concessions, or franchises, or subcontractors thereof, which employ more than 25 employees; 5) city financial aid recipients, including any entity receiving direct assistance from the city via grants, loans, loan guarantees, tax incentives, in-kind services, waivers of city fees, or real property exceeding \$100,000 in any 12-month period; and 6) public agencies with city contracts exceeding \$10,000 in a 12-month period.

According to the city's recently issued guidelines:

- The ordinance does not apply to employers with fewer than five employees or subcontractors, although this appears to be inconsistent with the language of the ordinance itself.
- For covered employers with more than five but fewer than 11 employees, employees can receive a maximum of 32 hours of paid sick time in a calendar year.
- For covered employers with 12 or more employees, employees accrue one hour of paid sick time for every 40 hours worked, up to 56 hours in a calendar year.
- Covered employees begin to accrue sick time at the start of employment and can use it as accrued beginning after the 90th day of employment.
- Employees may use accrued paid sick time in hourly increments for their own mental or physical illness, injury, or preventative care, as well as to care for a family member. However, if the employer has a policy regarding sick time increments, it may follow its own policy.

The new provisions provide a private cause of action to aggrieved employees, with no

administrative exhaustion requirements. A successful plaintiff can recover back pay, reinstatement, compensatory and punitive damages, and attorneys' fees and costs. Employers must provide notice and posting of covered employees' rights under the amendment, although the required manner of posting has not been specified in the guidelines.

All employers that have not yet done so should review their status in light of the ordinance, and covered employers should review their current policies to ensure compliance with the new provisions of the ordinance. Should you have any questions about the ordinance, please contact the Ogletree Deakins attorney with whom you normally work or the Client Services Department at 866-287-2576 or [clientservices@ogletreedeakins.com](mailto:clientservices@ogletreedeakins.com).

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