

GENERAL ASSEMBLY OF NORTH CAROLINA
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HOUSE DRH80034-LR-48A* (02/05)

Short Title: Healthy Families & Workplaces/Paid Sick Days. (Public)

Sponsors: Representative Adams.

Referred to:

A BILL TO BE ENTITLED

AN ACT PROVIDING FOR HEALTHY FAMILIES AND HEALTHY WORKPLACES BY ENSURING THAT ALL WORKERS HAVE PAID SICK DAYS TO ADDRESS THEIR OWN HEALTH NEEDS AND THE HEALTH NEEDS OF THEIR FAMILIES.

Whereas, nearly every worker in North Carolina is likely to need, during any given year, time off to attend to his or her own illness or that of an immediate family member or for routine medical care; and

Whereas, when parents are available to care for their children who become sick, the children's recovery is faster, more serious illnesses are prevented, and the children's overall health is improved; and

Whereas, parents who cannot afford to miss work must send children with a contagious illness to child care or school, contributing to the high rate of infections in child care centers and schools; and

Whereas, over 96,000 North Carolina women reported physical abuse by a husband or boyfriend in 2010-2011, and there were 766 domestic violence-related homicides between 2002 and 2011; and

Whereas, victims of domestic violence need time off to care for their health or to find solutions, such as a restraining order or housing, to avoid or prevent abuse and are forced to lose days of paid employment; and

Whereas, 45 percent or 1.4 million private-sector workers in North Carolina are not entitled to any earned paid sick days to care for their own health needs or the health needs of members of their families; and

Whereas, low-income workers are significantly less likely to have earned paid sick days with 70 percent of those earning less than \$25,000 per year lacking access to earned paid sick days than other members of the workforce; and

Whereas, providing minimal earned paid sick days is affordable for employers and good for business;

Whereas, providing minimal earned paid sick days would decrease health care costs;

Whereas, providing employees time off to attend to their own health care needs ensures that they will be healthier and more efficient employees in the long run; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 95 of the General Statutes is amended by adding a new Article to read:

"Article 3A.

"Healthy Families and Healthy Workplaces Act.



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1 **"§ 95-31.1. Short title and legislative purpose.**

2 (a) This Article shall be known and may be cited as the "Healthy Families and Healthy
3 Workplaces Act."

4 (b) The public policy of this State is declared as follows: The health and safety needs of
5 employees and their families and the protection of employees from losing their jobs and pay
6 while they seek medical care for themselves and their family members are subjects of concern
7 requiring legislation to promote the general welfare of the people of the State without
8 jeopardizing the competitive position of North Carolina business and industry. The General
9 Assembly declares that the general welfare of the State requires the enactment of this law under
10 the police power of the State.

11 **"§ 95-31.2. Definitions.**

12 (a) The following definitions apply in this Article:

13 (1) Child. – A biological, adopted, or foster child, stepchild, legal ward, or child
14 of a parent standing in loco parentis who is under 18 years of age, or 18
15 years of age or older but incapable of earning wages because of a mental or
16 physical incapacity.

17 (2) Domestic violence. – As defined in G.S. 50B-1.

18 (3) Employee. – As defined by G.S. 95-25.2(4).

19 (4) Employ. – As defined by G.S. 95-25.2(3).

20 (5) Employer. – As defined by G.S. 95-25.2(5).

21 (6) Federal act. – The Family and Medical Leave Act of 1993, 29 U.S.C. §§
22 2601 to 2654 inclusive, as it may be amended.

23 (7) Health care provider. –

24 a. A doctor of medicine or osteopathy licensed to practice medicine in
25 the State.

26 b. A physician assistant licensed in this State.

27 c. A family nurse practitioner licensed in this State.

28 (8) Immediate family member. – An employee's spouse, mother, father, brother,
29 sister, son, daughter, grandmother, grandfather, grandson, granddaughter,
30 whether the relationship is a biological, foster, adoptive, step-, half-, or
31 in-law relationship.

32 (9) Parent. – A biological, foster, stepparent, or adoptive parent of an employee
33 or an employee's spouse, or other person who stood in loco parentis during
34 the childhood of an employee or employee's spouse.

35 (10) Paid sick time or paid sick days. – Time that is (i) compensated at the same
36 hourly rate and with the same benefits, including health care benefits, as the
37 employee normally earns during hours worked and (ii) provided by an
38 employer to an employee for the purposes described in G.S. 95-31.4(b) of
39 this Article.

40 (11) Sexual assault. – As defined in Chapter 14 of the General Statutes.

41 (12) Stalking. – As defined in Chapter 14 of the General Statutes.

42 (13) Small business. – An employer who employs 10 or fewer employees during
43 20 or more calendar workweeks in the current or preceding calendar year.

44 **"§ 95-31.3. Exemptions.**

45 (a) The provisions of this section do not apply to any bona fide volunteers in any
46 organization where an employer-employee relationship does not exist.

47 (b) The provisions of this section do not apply to any person exempted from the Wage
48 and Hour Act under G.S. 95-25.14(a)(2) through (8), 95-25.14(b), 95-25.14(b1), 95-25.14(c),
49 and 95-25.14(e), except that domestic workers are exempted only if they are employed in the
50 place of residence of their employer.

51 **"§ 95-31.4. Accrual of paid sick time.**

1 (a) Except as provided by G.S. 95-31.3, any employee who works in this State and who
2 must be absent from work for the reasons set forth in G.S. 95-31.5(a) shall be entitled to paid
3 sick time.

4 (b) Paid sick time as provided in this section shall begin to accrue at the commencement
5 of employment. Paid sick time shall accrue at the rate of one hour of pay for every 30 hours
6 worked. Paid sick time may be used as accrued, or be loaned by the employer at its discretion,
7 to the employee in advance of accrual. Unless the employer and employee agree to designate
8 otherwise, for periods of paid sick time that are less than a normal workday, the time shall be
9 counted on an hourly basis or the smallest increment that the employer's payroll system uses to
10 account for absences or use of leave.

11 (c) For employees of small businesses, there shall be a limit of 32 hours of accrued paid
12 time in a calendar year. For employees of other employers, there shall be a limit of 56 hours of
13 accrued paid sick time in a calendar year. Accrued paid sick time for employees carries over
14 from year to year but is limited to the aforementioned limits.

15 (d) When there is separation from employment and the employee is rehired within 90
16 days of separation by the same employer, previously accrued paid sick time that had not been
17 used shall be reinstated. The employee shall be entitled to use accrued paid sick time and
18 accrue additional sick time at the recommencement of employment.

19 **"§ 95-31.5. Use of paid sick time.**

20 (a) Paid sick time shall be provided to an employee by an employer for any of the
21 following reasons:

22 (1) To care for the employee's immediate family member who is suffering from
23 a physical or mental illness, injury, or medical condition that requires home
24 care, professional medical diagnosis or care, preventative medical care, or a
25 routine medical appointment, unless the care is covered under federal law.

26 (2) To care for the employee's own physical or mental illness, injury, or medical
27 condition that requires home care, professional medical diagnosis or care,
28 preventative medical care, or a routine medical appointment, unless the care
29 is covered under federal law.

30 (3) To allow an employee to address the psychological, physical, or legal effects
31 on himself or herself, or an immediate family member, of domestic violence,
32 sexual assault, or stalking.

33 (b) An employer may require certification of the qualifying illness, injury, health
34 condition, or violence when a paid sick time period covers more than three consecutive
35 workdays. Any reasonable documentation signed by a health care provider involved in
36 following or treating the illness, injury, or health condition, and indicating the need for the
37 amount of sick days taken, shall be deemed acceptable certification. Acceptable certification of
38 domestic violence, sexual assault, or stalking may include (i) law enforcement, court, or federal
39 agency records or files; (ii) documentation from a domestic violence or sexual assault program;
40 or (iii) documentation from a religious, medical, or other professional from whom assistance
41 was sought in dealing with the alleged domestic violence, sexual offense, or stalking.

42 (1) The employer shall not require certification from a health care provider
43 employed by the employer. The employer shall not delay the
44 commencement of time taken for purposes of subsection (a) of this section
45 or pay for this period on the basis that the employer has not yet received the
46 certification. Nothing in this section shall be construed to require an
47 employee to provide as certification any information from a health care
48 provider that would be in violation of section 1177 of the Social Security
49 Act or the regulations promulgated pursuant to section 264(c) of the Health
50 Insurance Portability and Accountability Act, 42 U.S.C. § 1320d-2.

1 (2) An employer may not require disclosure of details relating to domestic
2 violence, sexual assault, or stalking or the details of an employee's medical
3 condition as a condition of providing paid sick time under this Article. If an
4 employer possesses health information or information pertaining to domestic
5 violence, sexual assault, or stalking about an employee or employee's
6 immediate family member, such information shall be treated as confidential
7 and not disclosed except to the affected employee or with the permission of
8 the affected employee.

9 (c) When the use of sick time is foreseeable, the employee shall make a good-faith
10 effort to provide notice of the need for such time to the employer in advance of the use of the
11 sick time and shall make a reasonable effort to schedule the use of sick time in a manner that
12 does not unduly disrupt the operations of the employer.

13 (d) An employer may not require, as a condition of providing sick time under this act,
14 that the employee search for or find a replacement worker to cover the hours during which the
15 employee is on paid sick time.

16 (e) Nothing in this section shall be construed as requiring financial or other
17 reimbursement to an employee from an employer upon the employee's termination, resignation,
18 retirement, or other separation from employment for accrued paid sick days that have not been
19 used.

20 (f) Nothing in this section shall be construed to discourage employers from adopting or
21 retaining paid sick time policies more generous than policies that comply with the requirements
22 of this section, and nothing in this section shall be construed to diminish the obligation of an
23 employer to comply with any contract, collective bargaining agreement, or any employment
24 benefit program or plan that provides greater sick time leave rights to employees than the rights
25 established under this section.

26 (g) This act provides minimum requirements pertaining to paid sick time and shall not
27 be construed to preempt, limit, or otherwise affect the applicability of any other law, regulation,
28 requirement, policy, agreement, or standard that provides for greater accrual or use by
29 employees of sick time, whether paid or unpaid, or that extends other protections to employees.

30 (h) Employers who have a paid time-off leave policy shall not be required to modify
31 that policy, if that policy offers an employee the option, at the employee's discretion, to take
32 paid sick time that is at least equivalent to the amounts and for the same purposes and under the
33 same conditions as provided under this section.

34 **"§ 95-31.6. Notification, posting, and records.**

35 Employers shall give notice that employees are entitled to paid sick time, the amount of
36 paid sick time, and the terms of its use guaranteed under this section, that retaliation against
37 employees who request or use paid sick time is prohibited, and that each employee has the right
38 to file a complaint with the Commissioner of Labor or in the General Court of Justice if sick
39 time as required by this Article is denied by the employer or the employee is retaliated against
40 for requesting or taking paid sick time. Employers may comply with this section by supplying
41 each of their employees with a notice in English and Spanish that contains the information
42 required by this section or by displaying a poster in a conspicuous and accessible place in each
43 establishment where the employees are employed which contains in English and Spanish all
44 information required by this section.

45 **"§ 95-31.7. Enforcement.**

46 (a) The Commissioner shall enforce and administer the provisions of this Article, and
47 the Commissioner or his or her authorized representative is empowered to hold hearings and to
48 institute civil proceedings hereunder.

49 (b) The Commissioner or his or her authorized representative shall have power to
50 administer oaths and examine witnesses, issue subpoenas, compel the attendance of witnesses

1 and the production of papers, books, accounts, records, payrolls, and documents, and take
2 depositions and affidavits in any proceeding hereunder.

3 (c) Any employer who violates the provisions of this Article shall be liable to the
4 employee or employees affected in the amount of their unpaid sick time as the case may be,
5 plus interest at the legal rate set forth in G.S. 24-1 from the date each amount first came due.

6 (d) In addition to the amounts awarded pursuant to subsection (c) of this section, the
7 court shall award liquidated damages in an amount equal to the amount found to be due as
8 provided in subsection (c) of this section, provided that if the employer shows to the
9 satisfaction of the court that the act or omission constituting the violation was in good faith and
10 that the employer had reasonable grounds for believing that the act or omission was not a
11 violation of this Article, the court may, in its discretion, award no liquidated damages or may
12 award any amount of liquidated damages not exceeding the amount found due as provided in
13 subsection (c) of this section.

14 (e) Action to recover such liability may be maintained in the General Court of Justice
15 by any one or more employees.

16 (f) The court, in any action brought under this Article, may, in addition to any
17 judgment awarded to plaintiff, order costs and fees of the action and reasonable attorneys' fees
18 to be paid by the defendant. The court may order costs and fees of the action and reasonable
19 attorneys' fees to be paid by the plaintiff if the court determines that the action was frivolous.

20 (g) The Commissioner is authorized to determine and supervise the payment of the
21 amounts due under this section, including interest at the legal rate set forth in G.S. 24-1 from
22 the date each amount first came due, and the agreement to accept such amounts by the
23 employee shall constitute a waiver of the employee's right to bring an action under subsection
24 (e) of this section.

25 (h) Actions under this Article must be brought within two years pursuant to G.S. 1-53.

26 (i) The rights and remedies created by this Article are supplementary to all existing
27 common law and statutory rights and remedies.

28 **"§ 95-31.8. Rules.**

29 The Commissioner of Labor shall adopt rules to implement this Article.

30 **"§ 95-31.9. Severability.**

31 The provisions of this Article shall be severable, and if any phrase, clause, sentence, or
32 provision is declared to be invalid or is preempted by federal law or regulation, the validity of
33 the remainder of this section shall not be affected thereby."

34 **SECTION 2.** G.S. 95-241(a) reads as rewritten:

35 "(a) No person shall discriminate or take any retaliatory action against an employee
36 because the employee in good faith does or threatens to do any of the following:

37 (1) File a claim or complaint, initiate any inquiry, investigation, inspection,
38 proceeding or other action, or testify or provide information to any person
39 with respect to any of the following:

- 40 a. Chapter 97 of the General Statutes.
- 41 b. ~~Article 2A~~ Article 2A, Article 3A, or Article 16 of this Chapter.
- 42 c. Article 2A of Chapter 74 of the General Statutes.
- 43 d. G.S. 95-28.1.
- 44 e. Article 16 of Chapter 127A of the General Statutes.
- 45 f. G.S. 95-28.1A.
- 46 g. Article 52 of Chapter 143 of the General Statutes.

47 (2) Cause any of the activities listed in subdivision (1) of this subsection to be
48 initiated on an employee's behalf.

49 (3) Exercise any right on behalf of the employee or any other employee afforded
50 by ~~Article 2A~~ Article 2A, Article 3A, or Article 16 of this Chapter or by
51 Article 2A of Chapter 74 of the General Statutes.

- 1 (4) Comply with the provisions of Article 27 of Chapter 7B of the General
2 Statutes.
3 (5) Exercise rights under Chapter 50B. Actions brought under this subdivision
4 shall be in accordance with the provisions of G.S. 50B-5.5."

5 **SECTION 3.** Section 1 and Section 2 of this act become effective July 1, 2013,
6 apply only to covered employment on or after that date, and do not apply to any collective
7 bargaining agreement entered into before July 1, 2013, that is still in effect on that date. The
8 remainder of this act is effective when it becomes law.