SENATE BILL NO. 196—SENATORS FORD, WOODHOUSE, SPEARMAN, RATTI, FARLEY; ATKINSON, CANCELA, CANNIZZARO, DENIS, MANENDO, PARKS AND SEGERBLOM

FEBRUARY 16, 2017

JOINT SPONSORS: ASSEMBLYMEN FRIERSON, BENITEZ-THOMPSON, YEAGER, CARRILLO, ELLIOT ANDERSON; ARAUJO, BILBRAY-AXELROD, COHEN, DALY, DIAZ, FLORES, FUMO, JAUREGUI, JOINER, NEAL, SPIEGEL, SPRINKLE, SWANK AND THOMPSON

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Requires certain employers in private employment to provide paid sick leave to employees under certain circumstances. (BDR 53-682)

FISCAL NOTE: Effect on Local Government: Increases or Newly
Provides for Term of Imprisonment in County or City
Jail or Detention Facility.
Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to employment; requiring certain employers in private employment to provide paid sick leave to each employee of the employer under certain circumstances; providing an exception; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires employers in private employment to pay employees certain minimum compensation and to provide certain benefits, including overtime compensation and meal and rest breaks. (NRS 608.018, 608.019, 608.250) **Section 1** of this bill requires a private employer who has 50 or more employees in this State for each working day in each of 20 or more calendar weeks in the current or immediately preceding calendar year and who has conducted business in this State for at least 12 consecutive months to, at a minimum, provide employees paid sick leave that must be earned at a rate of not less than 1 hour per 30 hours worked and may be used by an employee beginning on the 90th calendar day of employment. **Section 1** also provides that an employer may: (1) limit the use of the paid sick





leave to 24 hours per year; (2) limit the accrual of paid sick leave to a maximum of 48 hours per year; (3) require an employee who uses paid sick leave for 3 or more consecutive days to provide, upon his or her return to work, a reasonable certification of the need for the leave; and (4) set a minimum increment that an employee may use the accrued sick leave at any one time, not to exceed 2 hours. Section 1 additionally requires an employer to maintain records of the accrual and use of paid sick leave for each employee for a 3-year period and to make those records available for inspection by the Labor Commissioner. Section 1 requires the Labor Commissioner to prepare a bulletin setting forth these benefits and requires employers to post the bulletin in the workplace. Finally, section 1: (1) provides an exception for employers who provide at least an equivalent amount of sick leave or paid time off that may be used for the same purposes and under the same conditions as required by this bill; and (2) excludes from the requirements of this bill certain employees who perform work on an occasional or irregular basis, perform physical work at a construction site that results in the construction, alteration or destruction involved in the construction project or are employed in a bona fide executive, administrative or professional capacity.

Existing law requires an employer to establish and maintain records of wages for the benefit of his or her employees. (NRS 608.115) **Section 1.5** of this bill requires this record to include the total hours of sick leave available for use by each employee.

Section 2 of this bill requires the Labor Commissioner to enforce the provisions of **section 1**, and **section 3** of this bill makes a violation of the provisions of **section 1** a misdemeanor and authorizes the Commissioner to impose, in addition to any other remedy or penalty, a penalty of up to \$5,000 for each violation. (NRS 608.180, 608.195)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 608 of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. Except as otherwise provided in this section, every employer who has conducted business in this State for at least 12 consecutive months shall provide paid sick leave to each employee of the employer as follows:
- (a) An employee is entitled to accrue paid sick leave at a rate of not less than I hour for every 30 hours worked by the employee. For the purposes of this calculation, a salaried employee shall be deemed to work 40 hours per week, unless the employee's normal week of work is less than 40 hours, in which case paid sick leave must accrue based upon the hours worked in that employee's normal week of work.
- (b) Accrued paid sick leave must carry over for each employee between his or her years of employment, except an employer may limit the accrual of paid sick leave for each employee to a maximum of 48 hours per year.
- (c) Paid sick leave must be compensated at the rate of pay at which the employee is compensated at the time such leave is taken,



12

13

14

15

16

17

18

19

1

3

4

6

10

11

13

14

15

16 17



and paid on the same payday as the hours taken are normally paid. For the purposes of this calculation, the compensation rate for an employee who is paid by salary, commission, piece rate or a method other than an hourly wage must be calculated by dividing the employee's total wages paid for the immediately preceding 90 days by the number of hours worked during that period.

(d) An employer may limit the amount of paid sick leave an

employee uses to 24 hours per year.

(e) An employer may require an employee who uses paid sick leave for 3 or more consecutive days to provide, upon his or her return to work, a reasonable certification of the need for the leave. Such reasonable certification may include, without limitation, a signed document from a provider of health care affirming the illness of the employee or a dependent of the employee.

(f) An employer may set a minimum increment of paid sick leave, not to exceed 2 hours, that an employee may use at any one

time.

- (g) An employer is not required to compensate an employee for any accrued unused sick leave upon separation from employment, except if an employee is rehired by the employer within 1 year after separation from that employer, any previously accrued unused sick leave hours must be reinstated.
- 2. An employee of an employer may use accrued sick leave as follows:
- (a) An employee must be allowed to use accrued sick leave beginning on the 90th calendar day of his or her employment.

(b) An employee may use accrued paid sick leave:

(1) For the diagnosis, care or treatment of an existing health condition of, or preventive care for, the employee or a member of the employee's family or household; or

(2) To obtain counseling or assistance or to participate in any court proceedings related to domestic violence or sexual

33 assault.

- (c) To the extent possible, an employee shall give reasonable advance notice to his or her employer of the need to use accrued paid sick leave.
 - (d) An employer shall not:
- (1) Deny an employee the right to use accrued sick leave in accordance with the conditions of this section;
- 40 (2) Require an employee to find a replacement worker as a 41 condition of using sick leave; or
 - (3) Retaliate against an employee for using sick leave.
 - 3. The Labor Commissioner shall prepare a bulletin which clearly sets forth the benefits created by this section. The Labor Commissioner shall post the bulletin on the Internet website





maintained by the Office of Labor Commissioner, if any, and shall require all employers to post the bulletin in a conspicuous location in each workplace maintained by the employer. The bulletin may be included in any printed abstract posted by the employer pursuant to NRS 608.013.

- 4. An employer shall maintain records of the accrual and use of paid sick leave for each employee for a 3-year period following the entry of such information in the record and, upon request, shall make those records available for inspection by the Labor Commissioner.
 - 5. The provisions of this section do not:
- (a) Limit or abridge any other rights, remedies or procedures available under the law.
- (b) Negate any other rights, remedies or procedures available to an aggrieved party.
- (c) Prohibit, preempt or discourage any contract or other agreement that provides a more generous sick leave benefit or paid time off benefit.
- (d) Prohibit an employer from creating and enforcing a policy that prohibits the improper use of paid sick leave.
 - 6. This section does not apply to:
- (a) An employer who, pursuant to a collective bargaining agreement, contract, policy or other agreement, provides employees with a paid sick leave policy or a paid time off policy that provides for at least 24 hours of paid leave per year that may be used for the same purposes and under the same conditions as specified in this section.
 - (b) An employee who:
- (1) Is a day or temporary worker who performs work on an occasional or irregular basis for a limited period of time;
- (2) Actually performs physical work at a construction site that results in the construction, alteration or destruction involved in the construction project;
- (3) Is employed in a bona fide executive, administrative or professional capacity; or
- (4) Performs work for a hospital, a facility for long-term care or a provider of health care on an occasional or irregular basis as needed by the hospital, facility for long-term care or provider of health care.
 - 7. As used in this section:
- (a) "Employer" means a private employer who has 50 or more employees in private employment in this State for each working day in each of 20 or more calendar weeks in the current or immediately preceding calendar year. The term does not include a nonprofit religious, charitable, fraternal or other organization that





qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 2 501(c).

- (b) "Facility for long-term care" has the meaning ascribed to it in NRS 427A,028.
 - (c) "Hospital" has the meaning ascribed to it in NRS 449.012.
 - (d) "Provider of health care" has the meaning ascribed to it in NRS 629.031.
 - **Sec. 1.5.** NRS 608.115 is hereby amended to read as follows:
- 608.115 1. Every employer shall establish and maintain records of wages for the benefit of his or her employees, showing for each pay period the following information for each employee:
 - (a) Gross wage or salary other than compensation in the form of:
 - (1) Services; or
 - (2) Food, housing or clothing.
 - (b) Deductions.

3 4

5

6

7

8 9

10

11 12

13

14

15

16

17

18

19

20 21

22

23

24

25

27

28

29

30

31

34

35

38

- (c) Net cash wage or salary.
- (d) Total hours employed in the pay period by noting the number of hours per day.
 - (e) Date of payment.
- (f) Total hours of paid sick leave available for use by the employee.
- The information required by this section must be furnished to each employee within 10 days after the employee submits a request.
- Records of wages must be maintained for a 2-year period 26 following the entry of information in the record.
 - Sec. 2. NRS 608.180 is hereby amended to read as follows:
 - The Labor Commissioner or the representative of the 608.180 Labor Commissioner shall cause the provisions of NRS 608.005 to 608.195, inclusive, and section 1 of this act to be enforced, and upon notice from the Labor Commissioner or the representative:
- 32 The district attorney of any county in which a violation of 33 those sections has occurred;
 - 2. The Deputy Labor Commissioner, as provided NRS 607.050;
- The Attorney General, as provided in NRS 607.160 or 36 37 607.220; or
 - 4. The special counsel, as provided in NRS 607.065,
- 39 ⇒ shall prosecute the action for enforcement according to law.
 - **Sec. 3.** NRS 608.195 is hereby amended to read as follows:
- 41 608.195 1. Except as otherwise provided in NRS 608.0165,
- any person who violates any provision of NRS 608.005 to 608.195. 42
- 43 inclusive, and section 1 of this act, or any regulation adopted 44 pursuant thereto, is guilty of a misdemeanor.





2. In addition to any other remedy or penalty, the Labor Commissioner may impose against the person an administrative penalty of not more than \$5,000 for each such violation.

Sec. 4. This act becomes effective:

2

5

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
2. On January 1, 2018, for all other purposes.





