

The California Department of Industrial Relations (DIR) issued updated responses to <u>frequently asked questions</u> (FAQs) relating to the state's amended paid sick leave law.

As previously reported, California enacted SB 616, which expands the state law with respect to paid sick leave. The new law will be effective January 1, 2024, and increases the minimum amount of sick leave per year from 24 hours (or three days) to 40 hours (or five days). California's labor commissioner also updated the paid sick leave poster and 2810.5 employee notice to reflect the new law's requirements. The DIR's FAQs page answers questions for employers regarding accrual methods, caps on paid sick leave, and how employers can transition their paid sick leave policies to comply with the new law. For example, the FAQs address what an employer must do to comply with the law on January 1, 2024, if the employer uses an accrual method and capped an employee's yearly use of leave at three days or 24 hours: —"If an employer uses an annual start date other than

January 1 and implements a 12?month use cap, that cap must change to 40 hours or 5 days on January 1, 2024. For example, if an employer uses the 12-month period of May 1 - April 30 and implements a cap and an employee used 24 hours or three days before January 1, 2024, the employer must allow the employee to use an additional 2 days or 16 hours before April 30 if the employee has accrued that additional leave."

Relatedly, if an employer utilized the "up-front" method prior to January 1, 2024, and provided an employee with three days or 24 hours of leave on the employee's anniversary date during the year, beginning January 1, 2024, the employer has the choice to frontload the two additional days on January 1 or move the measurement of the yearly period to January 1, 2024, and frontload five days. Other topics addressed in the FAQs include which employees are eligible for paid sick leave and employee and employer requirements for when an employee wishes to utilize the leave.

California employers should reach out to experienced counsel with questions and review sick leave policies to ensure compliance with California's new law.

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