

New Jersey Workers Need COVID-19 & Vaccination Paid Leave

Why Do Workers Need Temporary COVID-19 & Vaccination Paid Leave?

- Helps increase vaccination rates: A recent Kaiser Health study found nearly half (48%) of unvaccinated adults in the US are concerned about missing work as a result of side effects from the shot, and one in five who say they are concerned they may need time off work to go and get the vaccine. And among those who want the vaccine, logistical concerns are barriers, with 14% reporting that they do not have the time to try to get an appointment and 12% concerned about being able to take the time off work. Additionally, the CDC recommends employers provide paid leave for vaccinations and side effects.
- Keeps people safe and prevents the spread of illness: One of the most basic steps to protect public health during a pandemic is for people who are sick or who have been exposed to COVID-19 to quarantine, and the CDC recommends staying home for 10 days after possible exposure. Research indicates that paid sick leave required in the federal Families First Coronavirus Relief Act (FFCRA) in 2020 was successful in "flattening the curve" of COVID-19 transmissions and reduced the transmission of COVID-19 in certain areas by 400 cases per day.1
- Prevents unnecessary health care expenses: Workers without paid sick days are more than twice as likely to seek emergency room care for themselves, a child or a relative because they can't take time away from work during normal business hours to obtain routine care, which leads to higher health insurance costs and medical expenses.²
- Increases equity: Paid sick leave is a critical racial justice issue: workers of color are overrepresented in industries that do not provide paid sick days and are far more likely to lack access to the benefit than white workers. Paid sick days are especially critical to essential workers, the majority of whom are women and people of color and are least likely to have access to paid sick days.
- Supports families' economic stability: When workers have to take time off to care for themselves or family members, lost wages can become a critical shortfall in their budgets. For example, 3.5 days of lost pay is equivalent to an average low-income family's monthly food budget. Especially as workers' earnings are lower due to the pandemic, it's critically important to keep families from dropping further into poverty.
- Increases productivity and morale: Healthy workers are the foundation of a thriving economy and are essential to keep businesses open and safe during the COVID-19 pandemic. When workers have access to paid sick leave, they demonstrate increased job satisfaction and morale. This leads to increased worker productivity and performance and reduced turnover, which improves a business' bottom line. And employers with under 500 employees get completely reimbursed through the federal paid leave tax credit (more below).

THE PROBLEM: Workers do not have access to adequate paid leave. The temporary federal paid leave response to COVID-19 expired at the end of 2020 (the Families First Coronavirus Response Act), and the permanent New Jersey state Earned Sick & Safe Days law only guarantees workers five paid sick days a year and can be required to work to earn them and wait to use them.

 New Jersey's Earned Sick and Safe Days law provides a floor of a guaranteed five paid sick days a year; earning 1 hour for every 30 hours worked means a full-time worker by June has only earned \sim 25 paid sick day hours or 3.5 days (workers can carry over unused paid sick days from one year to the next but employer are only required to allow them to take at least 5 days a year, but many workers exhausted their leave).

- The state law also allows employers to require that workers wait to use their time until they earn it. This and other barriers in the state law make it difficult for workers to easily use their time when they need it. Employers can also have workers wait 120 days from their first day before using their earned sick time and they can require workers to provide a doctor's note after three day's absence. The state law also leaves out per diem health care workers who have been at the forefront of the pandemic.
- The Families First Coronavirus Response Act requiring employers with under 500 employees to provide COVID-19 paid leave expired in 2020 and the tax credits were extended as an option for employers to use until April when the American Rescue Plan continued the federal COVID-19 paid leave tax credits. The tax credits continue to provide financial compensation to employers with under 500 employees that voluntarily provide COVID-19 paid leave, but there is no federal requirement to do so. For more on applying for the federal tax credit visit the IRS website.
- Tax credits alone are not enough to ensure adequate access to paid leave to all workers. If small and midsize employers have access to a financial benefit from the federal government, New Jersey should fill in the gaps by requiring employers to provide universal access to COVID-19 paid sick leave to all workers.

THE SOLUTION: S-3827 would require all employers to temporarily provide NJ workers with adequate and accessible paid sick leave during the COVID-19 pandemic, until the expiration of the federal paid leave tax credits.

Employers with under 500 employees can access federal COVID-19 paid leave tax credits.

The federal American Rescue Plan currently allows for federal paid leave tax credits for employers under 500 employees with a "refreshed" bank of paid leave time until they expire on September 30, 2021. Previously, Congress extended the paid leave tax credits as part of the Families First Coronavirus (FFFCRA) which was passed in March, 2020, until March 31, 2021. There has been seamless availability of the paid leave tax credit for private employers since the FFCRA was passed.

- Provide 80 hours of COVID-19 paid sick leave to all workers, regardless of employer size. COVID-19 sick leave shall be provided in addition to other paid sick leave already provided by the employer or required under New Jersey's existing Earned Sick Leave law.
- Provide COVID-19 paid sick leave to each employee regardless of how long they've been employed.
- Allow workers to take COVID-19 paid sick leave when they are unable to perform their job, including through telework, due to a need for leave for any of the following COVID-19 related reasons:
 - An employee's **need to self-isolate and care for themselves** because they are seeking or waiting for results of a COVID-19 test or diagnosis (due to potential exposure or at their employer's request), diagnosed with COVID-19, and care or treatment if experiencing symptoms of COVID-19;

- An employee has **been advised to self-quarantine** by a health care provider due to coronavirus-related concern and/or are subject to a federal, state, or local quarantine or isolation orders related to coronavirus;
- ⇒ Employee is obtaining a **COVID-19 vaccination** or recovering from related side effects;
- An employee's need to take **care for someone** who is subject to a quarantine/isolation order by the government or a health care provider;
- An employee's need to take care of a child or other family member when their care provider or facility is unavailable due to COVID-19, including if a school or place of care for adults is physically closed or services are unavailable.

 Pichler, S., Wen, K., Ziebarth, N. (October 2020). COVID-19 Emergency Sick Leave Has Helped Flatten the Curve in the United States. Retrieved from: https://www.healthaffairs.org/doi/abs/10.1377/hillbaff 2020.00863/utm_medium=press&utm_source=Mediaadvison/&utm_campaign=Covid/19lasttrack&utm_content=Ziebarth.

2. Stoddard-Dare, P., DeRigne, L., Mallett, C., & Quinn, L. (2018, March). How does paid sick leave relate to health care affordability and poverty among US workers? Social Work in Health Care, available at https://wpr.org/publications/paid-sick-days-access-and-usage-rates-vary-by-raceethnicity-occupation-and-earnings/.-

3. Sarah Jane Glynn, Heather Boushey, and Peter Berg, "Who Gets Time Off? Predicting Access to Paid Leave and Workplace Flexibility", available at <a href="https://www.americanprogress.org/issues/seconomy/reports/2016/04/26/134624/who-gets-time-0ff;/Jenny Xia and others, "Paid Sick Days Access and Usage Rates Vary by Race/Ethnicity, Occupation, and Earnings" to the Company of th