Get the Facts on Paid Sick Days

For the future prosperity of all Texans, it's time for Texas lawmakers to support the backbone of the Texas economy by supporting working families. Across the country, cities and states are expanding access to paid sick days so that workers don't have to choose between economic security and taking time off work when ill. Approximately 4.3 million Texas workers – or 40 percent of the total workforce – lack access to paid sick leave. ¹ Even in our environment of low-unemployment, the market has failed to increase access to jobs that provide this basic protection.

Paid sick days promote healthier communities, support our economy's lowest paid workers, and build a stronger more competitive economy.

Across Texas Workers Lack Access to Paid Sick Days

Location	Percent of Workers Without Access to Paid Sick Days
Austin	37%
Dallas	41%
San Antonio	39%
Texas	40%

Sources: Institute for Women's Policy Research. "Access to Paid Sick Time in Austin, Texas," (July 2017), "Access to Paid Sick Time in Texas," (March 2017), "Access to Paid Sick Time in Dallas, Texas," (May 2018), and "Access to Paid Sick Time in San Antonio, Texas," (May 2018).

FACT: Paid sick days make our communities healthier.

Paid sick days increase the rate of preventive medical care use, such as regular checkups with a primary care physician or annual flu shots. Workers with access to paid sick days are 29 percent more likely to stay home when they have the flu than those without. Workers without access to paid sick time are almost two times more likely to forgo care for a family member and three times more likely to forgo treatment for themselves.

National paid sick days policy could save over \$517 million annually in hospital emergency department costs to public health insurance programs such as Medicare and Medicaid.⁴

FACT: Paid sick days help keep kids healthy.

A lack of paid sick days harms Texas children. In Texas, 60 percent of children 12 and younger live in households where all available parents are in the labor force.⁵ Parents without paid sick days are twice as likely to send their child to school sick.⁶ When sick children go to school, they're more likely to spread illnesses to other students and their families and less likely to succeed in school.

FACT: Paid sick days improve the economic security of working families.

Workers across the country without access to paid sick leave are three times more likely to face financial instability. For the average worker without paid sick days, three days of lost pay is equivalent to their entire monthly grocery budget. Additionally, people with no paid sick leave benefits are more likely to experience food insecurity and require cash assistance, child care subsidies, and Supplemental Nutrition Assistance Programs (SNAP) benefits.

FACT: Paid sick leave recognizes what today's families need to thrive.

Labor laws should evolve to meet the needs of modern American families, especially when it comes to helping parents successfully balance work and caregiving. Recent paid sick time ordinances in places such as Arizona acknowledge the shifting need for working families to care for not only children but aging parents and relatives as well.¹⁰

FACT: Paid sick days create stronger, safer business environments.

Texas businesses depend on a healthy workforce to succeed. Nationally, working sick Americans cost employers \$160 billion annually from decreased productivity and unnecessarily extended illnesses. 11 Paid sick days reduce the likelihood of workplace injuries by 28 percent, saving companies money on health care costs and protecting workers. 12

Additionally, paid sick leave helps keep customers safe. A report on the Houston-area restaurant industry found that 74 percent of workers reported preparing and handling food while sick.¹³

FACT: Economic benefits to businesses in cities with paid sick days ordinances outweigh the negligible costs of implementing the policies.

Studies examining the effects of paid sick leave policies find that employers are supportive or neutral about these policies after they're implemented. A growing body of evidence, including surveys of business owners, indicates that paid sick days policies have little effect on employers' bottom lines while providing substantial benefits to businesses, workers, and the community as a whole. 14 Workers are 25 percent less likely to leave their job when they have access to paid sick days. 15

FACT: Complying with paid sick leave protections is no more complex than existing operating standards for businesses.

Paid sick days policies, like other business regulations, are designed to protect citizens and promote the health and wellbeing of society. For example, current policies require businesses to comply with standards like the Clean Air Act to protect our health and the Child Labor Act to protect our children.

The Austin and San Antonio ordinances were drafted to ensure protections for working families while preserving employer discretion and providing accommodations in administration and implementation for smaller businesses. ¹⁶

FACT: Paid sick leave policies are used when employees need them most.

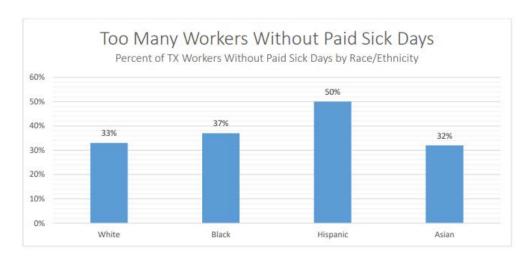
Studies show employees rarely use all the sick time available to them. Nationally, workers with paid sick days only use just over 2 days per year. ¹⁷ In addition, the majority of employers do not experience abuse of these policies.

Policies passed in Texas provide only 8 days per year for full time employees; employees must use them sparingly to ensure they are available when truly needed. Additionally, these policies safeguard employers from unnecessary absenteeism by allowing them to require

advance approval of planned leave, doctors' notes for extended absences, and accrual of sick leave over time. 18

FACT: Lack of paid sick days hurts low-wage, Hispanic, and part-time workers the most.

No hard-working Texan – no matter their race, ethnicity, background, income, or occupation – should have to choose between their health and their job. Unfortunately, there are large disparities in access to paid sick days, with Hispanic, low-income, and part-time Texas workers least likely to earn paid sick days at work.¹⁹



Source: Institute for Women's Policy Research, "Access to Paid Sick Time in Texas," (March 2017), https://iwpr.org/publications/access-paid-sick-time-texas/

FACT: The benefits of paid sick days have been proven in communities around the country.

Across the country, there is growing momentum and support for city, county, and statewide paid sick days policies that require employers to provide a certain number of paid sick days to workers each year based on the number of hours worked. To date, a total of 46 cities, counties, and states have passed paid sick days.²⁰

FACT: Texas communities can and should improve conditions for working families.

Unfortunately, Texas state law currently bans cities and counties from making most local decisions about the minimum wage. Local governments are only able to raise minimum wages for their own government employees and contract workers. Tips, employer-provided food and housing and monetary compensation are explicitly stated as the four elements that make up an employee's wage. Other forms of compensation like paid sick leave are not considered wages.

The inability of local elected leaders to raise wages makes it even more important for them to enact other standards like paid sick time so that low-wage workers are not forced to choose between caring for a sick loved one and losing a day's wages.

¹ Milli, J. <u>Access to Paid Sick Time in Texas. Institute for Women's Policy Research.</u> March 2017

- ² Piper, K. et al. Paid sick days and stay-at-home behavior for influenza. February 2017
- ³ DeRigne, L et al., *Health Affairs* 35(3): 520-527, <u>Workers without paid sick leave less likely to take time off for illness or injury compared to those with paid sick leave.</u> March 2016
- ⁴ National Partnership for Women and Families, Paid Sick Days Lead to Cost Savings for All. July 2017
- ⁵ Kids Count Data Center, <u>Children with all available parents in the labor force tables</u>. Data from U.S. Census Bureau, 2016 American Community Survey.
- ⁶ Smith, T., & Kim, J. <u>National Opinion Research Center at the University of Chicago Publication. Paid Sick Days: Attitudes and Experiences</u> June 2010
- ⁷ Stoddard-Dare, P., et al., Social Work in Health Care. <u>How does paid sick leave relate to health care affordability and poverty among US workers?</u> February 2018
- ⁸ Gould, E. & Schieder, J. Work sick or lose pay? Economic Policy Institute. June 2017
- ⁹ Stoddard-Dare, P et. Al., American Journal of Orthopsychiatry, Vol 88(5). <u>Paid sick leave status in relation to government sponsored welfare utilization.</u> 2018
- ¹⁰ Arizona Statute § 23-371
- ¹¹ National Partnership for Women and Families. <u>Paid Sick Days Lead to Cost Savings for All.</u> July 2017
- 12 Abay, A., et al., American Journal of Public Health. Paid Sick Leave and Nonfatal Occupational Injuries. September 2012
- ¹³ Restaurant Opportunities Center of Houston, <u>Behind the Kitchen Door: Extreme Inequality and Opportunity in Houston's Vibrant Restaurant Economy.</u> November 2015
- ¹⁴ Washington: Center Economic and Policy Research, <u>No Big Deal: The Impact of New York City's Paid Sick Days Law on Employers</u>. September 2016
- ¹⁵ Hill, D. Work and Occupations, Paid Sick Leave and Job Stability. May 2013
- ¹⁶ City of Austin Paid Sick Time Ordinance
- ¹⁷ National Partnership for Women and Families, <u>Paid Sick Days Access and Usage Rates Vary by Race/Ethnicity, Occupation, and Earnings.</u> February 2016
- ¹⁸ City of Austin Paid Sick Time Ordinance
- ¹⁹ National Partnership for Women and Families, <u>Briefing Paper: Access to Paid Sick Time in Texas.</u> March 2017
- ²⁰ National Partnership for Women and Families, <u>Current Paid Sick Days Laws.</u> June 2018
- ²¹ Tex. Labor Code § 62.0515
- ²² Tex. Labor Code §§ 62.052-054