



MONITORING POVERTY AND WELL-BEING IN NYC

# SPOTLIGHT ON PAID SICK LEAVE

RESULTS FROM THE NEW YORK CITY  
EARNED SICK TIME ACT

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In March 2014, New York City passed the Earned Sick Time Act, also known as the Paid Sick Leave Law. Under the law, employees (working for employers with five or more employees) began accruing paid sick time off on April 1, 2014, at a rate of one hour for every 30 hours worked. Employees were eligible to use sick days accrued starting July 30, 2014.<sup>1</sup>

In this Spotlight we summarize findings based on questions asked before and after implementation of the Paid Sick Leave Law, analyzing rates of paid sick leave taken before and after implementation of the law. We also provide information on who is benefiting most from the law, and who is being left out.

***The Poverty Tracker<sup>2</sup> is a longitudinal study of well-being and disadvantage in New York City, tracking an array of topics.<sup>3</sup> Surveys are administered quarterly, capturing repeated responses as well as measures unique to individual surveys. A major advantage of the Poverty Tracker is its adaptability. If a non-profit or government agency is interested in looking at a specific change, such as the passage of a nEW LAW, AND HOW IT AFFECTS NEW YORKERS, WE CAN ADD QUESTIONS TO MEASURE THE IMPACT OF SUCH AN EVENT.***

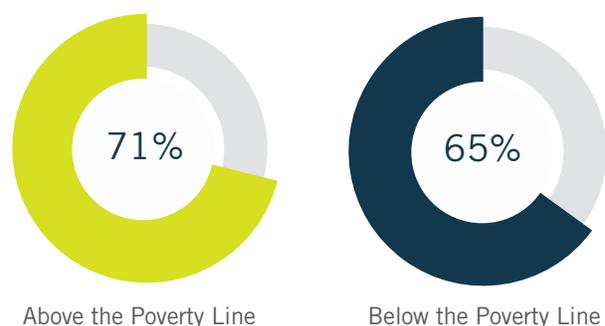
The Paid Sick Leave Law was intended to increase workers' ability to take sick leave when they are ill or need to care for ill family members, and to increase the likelihood that they are paid when they do so. The findings below suggest that the law was successful in both respects—resulting in increased sick leave taking, and increased rates of payment for sick leave taken. The law was also effective in helping some vulnerable groups, including workers who are below the poverty line. However, there are still gains to be made, especially for some demographic groups like part-time workers and workers with lower education levels.

## 70% of workers had heard about the Paid Sick Leave Law.<sup>4</sup>

- Respondents heard about the law through television (49%), newspaper (29%), their employer (28%), and radio (25%).
- Workers<sup>5</sup> earning incomes below the poverty line were less likely to have heard about the law compared to workers with incomes above the poverty line (65% versus 71%).

Figure 1

### Heard About the Law (by Poverty Status)



<sup>1</sup>Sales L. *Paid Sick Leave: What Employers Need to Know 2017*. New York City, New York: Department of Consumer Affairs.

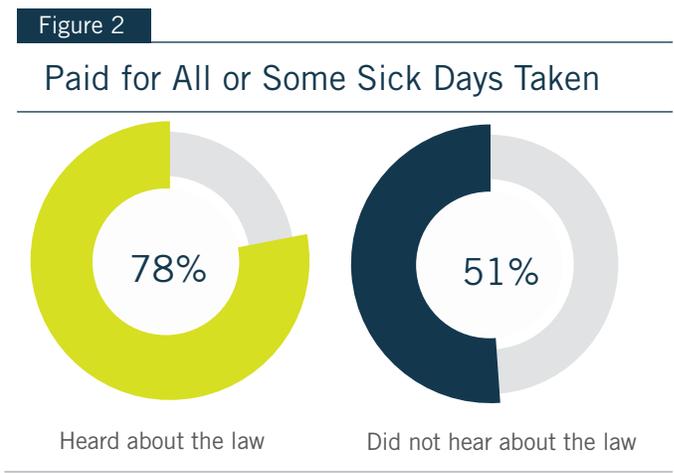
<sup>2</sup>For more information on the Poverty Tracker and our methodology, please see the technical appendix.

<sup>3</sup>Including income, disadvantage, household information, views of New York City and neighborhoods, childcare, service utilization, health, employment, finances, immigration, consumption, etc.

<sup>4</sup>Hall GS, Walters S, Wimer C, et al. *Workers Not Paid for Sick Leave after Implementation of the New York City Paid Sick Leave Law*. *Journal of Urban Health*. December 2017. Doi:10.1007/s11524-017-0218-2

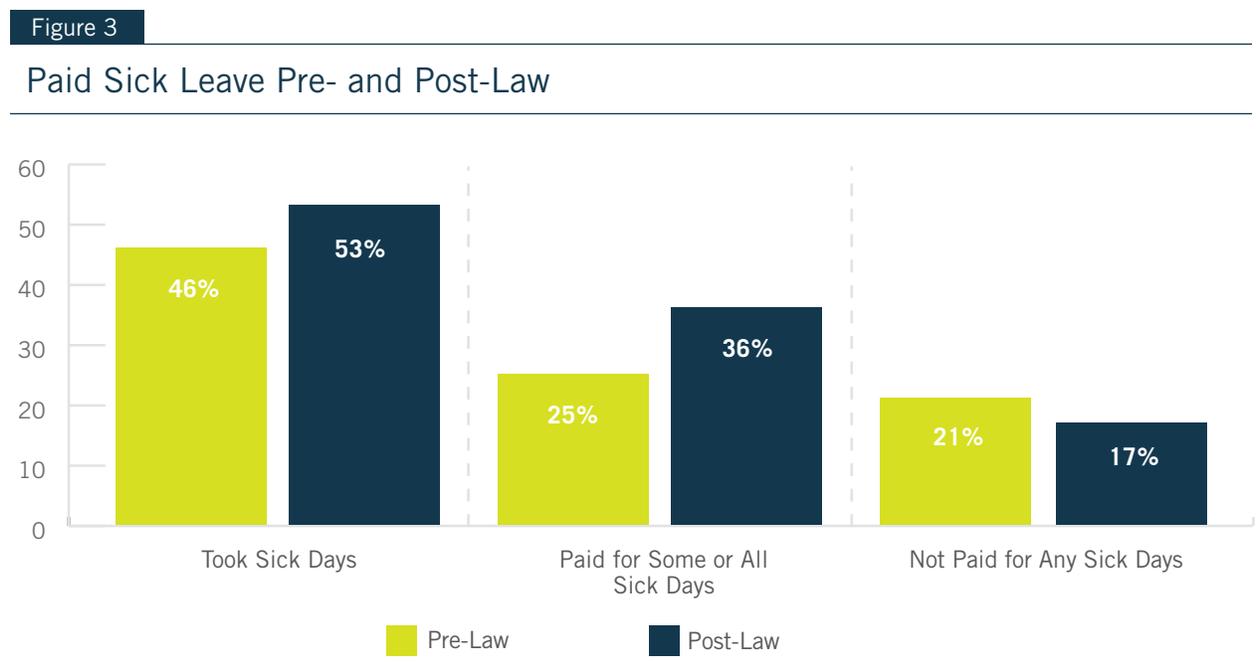
<sup>5</sup>Defined as having worked in the past three months.

- Workers who had heard about the law were more likely to be paid for sick time than those who had not heard about the law (78% versus 51%).



### Workers took more sick leave (both paid and unpaid) after implementation of the law.

- There was an overall increase in the number of workers who took at least some sick days (53% post-law versus 46% pre-law).
- There was an increase in the number of workers who were paid for some or all of their sick days (36% post-law versus 25% pre-law).
- The number of workers who were not paid for any sick days decreased after implementation of the law (17% post-law versus 21% pre-law).

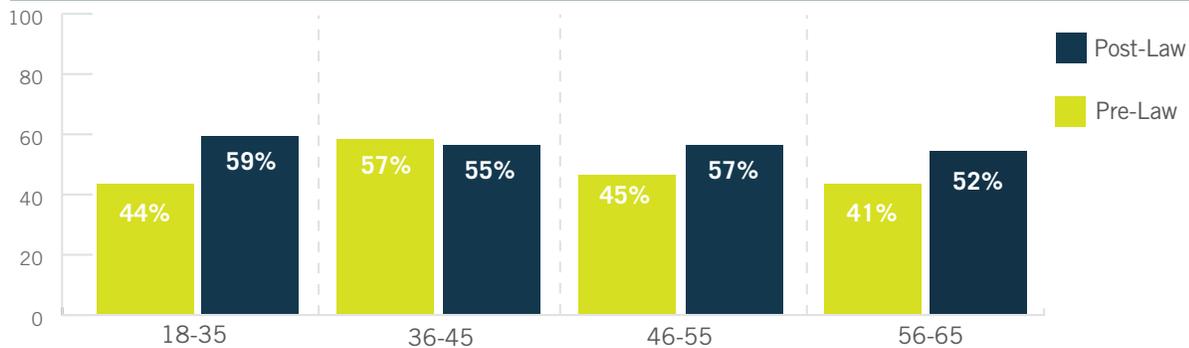


## Young workers, female workers, and college graduates were more likely to take advantage of the Paid Sick Leave Law.

- Workers age 18 to 35 had a 15–percentage point increase in the share of workers who took some sick days (59% post-law versus 44% pre-law).

Figure 4

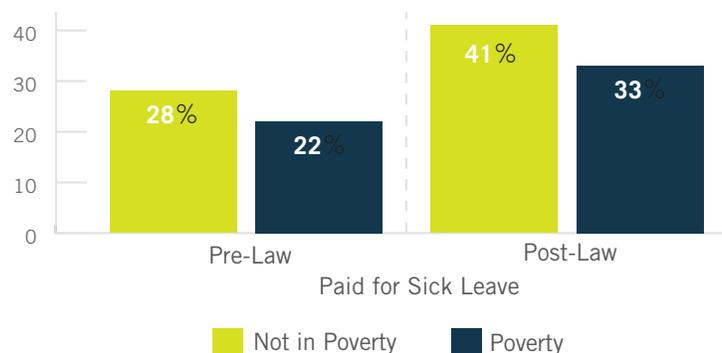
### Sick Leave Taking Pre- and Post-Law (by Age)



- Female workers had a 9–percentage point increase in the share of workers who took some sick days (59% post-law versus 50% pre-law). Female workers also had an increase in the percentage who were paid for some or all of their sick days (42% post-law versus 27% pre-law).
- The changes were less pronounced for male workers, but still noteworthy. Overall, male workers saw an 8–percentage point increase in those who took some sick days (50% post-law versus 42% pre-law) and a 10–percentage point increase in those who were paid for some or all of their sick days (38% post-law versus 28% pre-law).
- College graduates had a 19–percentage point increase in those who were paid for some or all of their sick days (46% post-law versus 27% pre-law) and a 15–percentage point increase in the overall percentage who took some sick days (56% post-law versus 41% pre-law).
- Those in poverty saw an 11–percentage point increase in the share of workers who were paid for some or all sick days (33% post-law versus 22% pre-law) and a 6–percentage point increase in the share who took some sick days (44% versus 50%). While those in poverty saw an increase in the rate of being paid for sick leave, they still lag behind non-poor workers in receiving pay for sick days taken post-law (33% for poor workers vs. 41% for non-poor workers).

Figure 5

### Payment for Sick Leave Pre- and Post-Law (by Poverty Status)



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## While most workers were more likely to take sick leave after the implementation of the law, some demographic groups did not see an increase in sick leave.

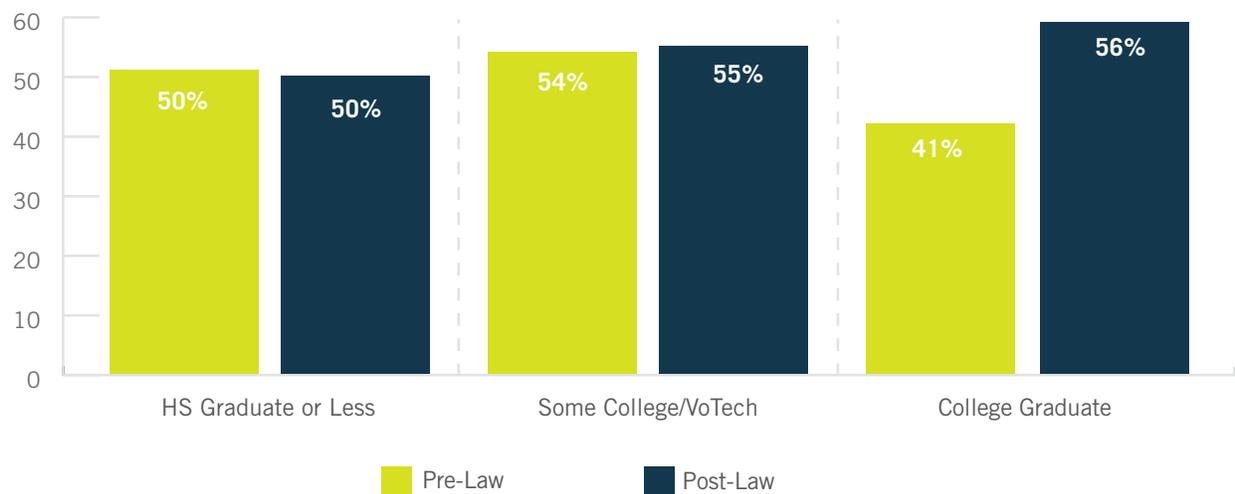
- Part-time workers were not more likely to take sick leave after the implementation of the law (45% post-law versus 47% pre-law) and experienced a slight decrease in the percentage who were paid for some or all sick days after the implementation of the law (20% post-law versus 26% pre-law).
- Workers with a high school diploma or less also did not experience a change in the percentage who took some sick days after the implementation of the law (50% post-law versus 50% pre-law). However, these workers did see an increase in the percentage who were paid for some or all of their sick days (30% post-law versus 24% pre-law).

Figure 6

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### Sick Leave Taking Pre- & Post-Law (by Education Level)

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These findings indicate a noteworthy increase in sick leave taking and payment for sick leave taken among working New Yorkers. However, while these results are promising, increases are not universal. There is still work to be done to raise awareness of the law and eliminate disparities in populations who take sick leave and receive their rightful pay.

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## Technical Appendix

This appendix explains in detail the methods and measures used in these analysis. Specifically, it explains the Poverty Tracker survey, the data collected, the measures we look at, and the analytical methods used to compare changes pre- and post-law.

### Sample

This analysis was performed using two independent samples, which we will call the pre-law and post-law samples. The pre-law sample was collected in late 2012, mainly through random digit dialing methods (n=2,002), which oversampled landline phone numbers from low-income neighborhoods, defined as ZIP codes with official poverty rates over 20 percent according to the 2000 decennial census. There was also an additional sample (n=226), which was recruited from 14 randomly selected social service agencies funded by the Robin Hood Foundation. Survey weights were applied to ensure that the sample was representative of the New York City population.

The post-law sample was collected in spring 2015 after respondents participated in the Community Health Survey administered by the New York City Department of Health and Mental Hygiene, which was also sampled using random digit dialing (n=3,404). Again, this sample contains an additional sample from Robin Hood-funded social service agencies (n=505), designed to provide an oversample of New Yorkers engaged in social services. Survey weights were applied to ensure that the sample was representative of the New York City population.

### Measurement of Paid Sick Leave

Both samples were asked about their use of sick leave and their receipt of payment for the days they took. The measures we look at come from the following questions:

1. During the past 12 months, about how many days did you miss work at a job or business because you or someone you care for was ill or injured?

If survey participants said they took at least one day off, they were asked the following question:

2. Were you paid for the days you missed because of illness or injury?

Respondents had the option to say they were paid for some, all, or none of the days they missed. These questions were recoded into one variable, which indicated if the respondent: 1. Was paid for all or some sick days; 2. Was paid for no sick days; 3. Did not take any sick days.

In the first panel these questions were fielded between February and July 2014, all prior to the implementation of the New York City Earned Sick Time Act. In the second panel, the same questions were fielded between April and March 2016, all after implementation of the law.

In addition to measures of paid sick leave, we utilize data on a number of demographic and employment-related characteristics that may be related to receipt and use of paid sick leave. These are gender, race/ethnicity, education, age, foreign-born status, marital status, presence of children in the household, income-to-needs ratio (logged), number of months worked in the past year, and whether the respondent worked full-time or part-time.

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## Measurement of Awareness of the Law

The pre-law sample was asked follow-up questions in a later survey after the law was passed. Those questions related to payment for sick leave in the prior three months as well as awareness of the law. For results regarding awareness of the law, these questions were used:

1. In 2014 New York City created a law that gives many workers the right to take time off from work if they or a family member needs health care. It is called the Paid Sick Leave Law. Have you heard about the new law?
2. How have you heard about the law? Check all that apply.<sup>6</sup>

## Methods of Analysis

In these analyses we examine the rate of sick leave taken and paid sick leave taken pre- and post-law. We also test for significant predictors of PSL using a multinomial logistic regression. To assess who is or is not covered, we predict marginal probabilities of being paid for sick days with respect to a number of demographic characteristics pre- and post-law. To assess awareness of the law, we use logistic regression to produce marginal probabilities as estimates of awareness of the law among specific groups.

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<sup>6</sup>Responses included a television advertisement, a radio advertisement, a newspaper advertisement, signs on public transportation, your employer, an elected official or community leader, family or friends, or some other way.