

## Paid Sick Leave Checklist

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The Healthy Workplaces, Healthy Families Act of 2014 ("the Act") mandates paid sick leave (PSL) for California employees. This state law contains a number of requirements. For more information, review the [Paid Sick Leave](#) information in the HRCalifornia Law Library. The checklist only provides information on the California PSL requirement. For more information on local paid sick leave policies, see [Local Ordinances](#).

Note: Effective January 1, 2024, California's PSL requirements were expanded to require up to five days or 40 hours per year, up from three days or 24 hours. The change also raised the cap on PSL accrual and carryover. This checklist has been updated to reflect the 2024 changes.

Consult your labor and employment counsel with any specific questions about how this law applies to your workforce.

### Posting, Notice and Recordkeeping Requirements

- Post the PSL poster (*Healthy Workplaces/Healthy Families Act of 2014 - Paid Sick Leave*) in a place where employees can easily read it.
  - The poster is available as part of CalChamber's all-in-one *California and Federal Labor Law Poster*. It is also available on the Labor Commissioner's website at [www.dir.ca.gov](http://www.dir.ca.gov).
- Provide the *Wage and Employment Notice to Employees (Labor Code section 2810.5)* to all new hires and to existing employees any time you change your PSL policy. This free form is available in English and Spanish on [HRCalifornia.com](http://HRCalifornia.com).
- Ensure that your timekeeping systems properly calculate and track accrued and used sick time.
- Show how many days of PSL an employee has available, either on a pay stub or another written document issued the same day as the paycheck.
- Keep records for three years showing how many hours of PSL have been earned and used.

### Paid Sick Leave Rate

- Decide how your company will provide sick leave benefits. The Act provides employers with different options to satisfy its requirements.
  - Employer Option 1: Statutory Mandated Accrual
    - Employee earns one hour of paid sick leave for every 30 hours worked.
    - Employer may cap accrued and unused sick days to 80 hours or 10 days.
    - Requires a policy if you want to cap the accrual.
  - Employer Option 2: Optional Accrual Method That Provides No Less Than 24 Hours by the 120th Day and 40 Hours by the 200th Day
    - An employer does not have to follow the statutory accrual method of one hour per every 30 hours worked provided that the accrual is on a regular basis so that an employee has no less than 24 hours of accrued sick leave or paid time off (PTO) by the 120th calendar day of employment and no less than 40 hours of accrued sick leave or paid time off by the 200th day of employment or each calendar year or in each 12-month period. The employer can determine the accrual method so long as it meets the above requirements.
    - Employer may cap accrued and unused sick days to 80 hours or 10 days.
    - Requires a policy if you want to cap the accrual.
  - Employer Option 3: Alternative Accrual for New Hires
    - An employer "may satisfy the accrual requirements...by providing not less than 24 hours or 3 days of paid sick leave that is available to the employee to use by the completion of the employee's 120th calendar day of employment, and no less than 40 hours or five days of paid sick leave that is available to the employee to use by the completion of the employee's 200th day of employment."
    - This option applies only to paid sick leave, not PTO.
    - Employer may cap accrued and unused sick days to 80 hours or 10 days.
    - Requires a policy if you want to cap accrual.

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- Employer Option 4: Pre-existing Paid Sick Leave, Paid Time Off or Other Paid Leave Policy (Policy in Effect Prior to January 1, 2015)
  - If you had a sick or paid time off policy in effect prior to January 1, 2015, you can use that policy's accrual method instead of the statutory accrual method as long as your pre-existing policy accrues on a regular basis and:
    - Employees have no less than one day or eight hours of accrued sick leave or paid time off within three months of employment, each calendar year or each 12-month period; and
    - Employees were eligible to earn at least five days or 40 hours of paid sick leave or paid time off within six months of employment.

Note: Effective January 1, 2024, California expanded its PSL law and changed the requirements for pre-existing employer policies to satisfy the law. Prior to 2024, under this second criteria, a preexisting plan had to ensure that the employee was eligible to earn at least three days or 24 hours of sick leave or paid time off within nine months of employment, but, beginning in 2024, preexisting plans only work if they provide five days or 40 hours of leave within six months of employment. Employers still operating under a plan implemented prior to 2015 should compare the plan to the new requirements to ensure it complies with the law.

- Employer may cap accrual and unused sick days to 80 hours or 10 days.
- Requires a policy if you want to cap the accrual.
- Employer Option 5: Lump Sum Per Employer Policy
  - Employee receives at least five days or 40 hours of paid sick leave, paid leave or paid time off at the beginning of each year.
  - No carryover of unused sick time to the next year.
  - Requires an employer policy.

Decide whether your company wants to limit *use* of PSL to five days per year.

- Regardless of how much sick leave an employee has accrued, an employer can limit the amount of sick leave an employee can take in one year to five days or 40 hours (whichever is greater).
- You will need to inform your employees with a written policy.

### Paid Sick Leave Implementation

- Provide PSL to employees who have worked in California for the same employer for 30 or more days within a year from the commencement of employment. All California employees will be entitled to PSL - with only limited exceptions.
- Make certain that you are covering all eligible employees.
  - For example, does your policy cover part-time employees?
- Ensure that your company allows leave for all permissible purposes under the Act.
  - PSL can be used to care for a child, parent, parent-in-law, spouse, registered domestic partner, grandparent, grandchild, sibling or another person identified at the time the employee requests paid sick days ("designated person"). You can limit employees to one "designated person" per 12-month period for purposes of paid sick leave.
- Determine whether any local ordinances providing PSL also apply to your workforce.
  - You will have to give whichever provision or benefit is more generous to the employee.
  - You can find more information in the [Local Ordinance](#) section of the HR Library and the [Comparison of California State and Local Paid Sick Leave Laws](#).

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- Communicate your policy to employees.
  - A written policy is considered mandatory for California employers in order to demonstrate compliance with the mandatory PSL law. A written policy allows you to specifically describe and clearly communicate your company's approach to providing the mandatory benefit. A written policy is also required if you place any limits on PSL that are allowed within the law, such as a cap on accrual.
- Allow employees to start using accrued paid sick days beginning on the 90th day of employment. You can allow them to use paid sick time earlier than the 90th day at your option.
- Allow eligible employee to use accrued paid sick leave upon reasonable request.
- Don't require employees to take time off in increments greater than two hours.
- Don't require employees to find a replacement worker.
- Provide payment for sick leave taken by an employee no later than the payday for the next regular payroll period after the sick leave was taken.
- Accrued paid sick leave does not have to be paid out at termination. Remember, however, time accrued under PTO policies is considered wages in California and must be paid out at termination. If you combine PSL into your PTO policy, you will need to pay out at termination.
- Reinstate previously accrued and unused paid sick days to employees who leave employment and are then rehired within one year.

### Anti-Discrimination and Retaliation Requirements

- Ensure that there is no discrimination or retaliation against employees who exercise their rights to PSL.
- Don't take any action against employees who are inquiring regarding their PSL benefits or discussing PSL with other employees.
- Train managers and supervisors about the rights employees will have to paid sick days and the prohibitions against denying the right to take the leave, including the prohibition against requiring the employee to find a replacement.