

185926

**Moore-Love, Karla**

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**From:** Debra Dunn [dunn@ortrucking.org]  
**Sent:** Wednesday, March 13, 2013 8:42 AM  
**To:** Alpert, Josh; Shibley, Gail  
**Cc:** Moore-Love, Karla; Parsons, Susan; Hales, Mayor; Commissioner Fritz; Commissioner Fish; Commissioner Saltzman; Commissioner Novick; Tuttle, Judy  
**Subject:** OTA Comments - Sick Pay Ordinance  
**Attachments:** OTA's Comments - Paid Sick Leave Ordinance 3-13-13.pdf

Good Morning Josh,

Unfortunately, I am unable to attend today's Council Meeting, can you please enter OTA's comments into the record and distribute to Mayor Hales and City Commissioners?

Thank you in advance for your help.  
Debra

*Debra Dunn, President*  
**Oregon Trucking Associations, Inc.**  
[dunn@ortrucking.org](mailto:dunn@ortrucking.org)

P: 503/513-0005 or 888/293-0005  
C: 503/780-4039  
[www.ortrucking.org](http://www.ortrucking.org)



OTA Your Roadmap to the Future



Mayor Charlie Hales  
Portland City Commissioners  
1221 SW 4<sup>th</sup> Ave., #110  
Portland, OR. 97204

185926

March 12, 2013

Dear Mayor Hales,

On behalf of the Oregon Trucking Associations' members, I urge you to postpone adopting the sick leave ordinance until all the issues regarding this mandate have been thoroughly examined.

The Oregon Trucking Associations, Inc., the only association representing trucking in Oregon has members with many different types of operations. OTA members are part of a network of carriers that drive Oregon's highways to deliver freight, serving the 77 percent of Oregon communities that depend solely on trucks for the delivery of goods.

In 2009, 10,281 trucking companies operated in Oregon compared to just over 6,100 today. These sobering statistics are a result of the economic downturn along with over 35 new federal regulations. In the last few years we have absorbed the costs associated with these regulations. This represents 30% more new trucking regulations than were issued by the federal government between 1993-2008.

OTA does not support a 'one size fits all approach" to establishing employer paid employee benefits. Employee benefits are an employer's decision and many of our trucking companies provide employee benefits (which includes paid or unpaid sick leave, vacation, disability insurance, retirement, flex time etc.) to their employees. However, some companies have been forced to focus on survival tactics these last few years requiring cost cutting measures to retain the family jobs that are vital to our region and the state. The economy is beginning to improve; however, can we really afford the loss of more family wage jobs as a result of a sick leave mandate that is not supported by evidence that a paid sick leave leads to a healthier workforce?

Today Oregon's trucking industry provides 85,033 jobs or one out of 16 in the state. Total Oregon trucking wages paid in 2012 exceeded \$3.8 billion with an average annual salary of \$44,231.

I am very concerned about the speed of which this ordinance is moving forward. To date, there has been no evidence presented that warrants such a hurried passage of this ordinance. Such actions are in clear opposition to the level of public involvement that the City Council has fostered. This fast track approach is even more of a surprise to me, when just recently I had been serving on the City's North Portland Rd/Columbia Blvd. Community Advisory Committee for almost two years and we were very near resolution. Commissioner

Fritz intervened and insisted that the city invest in mediation to reach an agreement among the Committee members. The sick leave mandate is far more universal and should, at the very least, receive the same level of time, attention and consideration.

OTA would welcome the opportunity to share insights related to trucks delivering medical supplies, groceries and electronics within the city limits. Some of our issues include:

- 1) The increased administrative time recording driver hours loading or unloading in the city limits, when the driver may or may not qualify for sick pay under this ordinance.
- 2) Does a trucking company that has one of 10 drivers reaching the 240 plus hours of delivering goods in the city put the company in the position of providing paid sick leave for all employees?
- 3) At a time when we are trying to focus our driver's attention on safety and avoiding distractions, such as cell phone use, are we going to add the increased burden of recording their time delivering goods within the city limits? Trucks today are equipped with electronic logging devices that record the driver's hours of service, hands-free. The proposed ordinance will take our industry back ten years to manual record keeping.
- 4) Where is the "bright yellow line" that tells drivers when they have crossed the city limits?
- 5) We question whether it's appropriate for the city to impose a requirement of this nature on a business entity.
- 6) How many Portland companies like Franz Bakery (per public testimony on March 7th) are we prepared to lose because they have said "enough is enough"?

A full review with participation from all effected stakeholders is vital to a successful outcome. I respectfully urge you to postpone adopting a paid sick leave ordinance until the city adequately considers all the impacts and concerns I have described above, along with the numerous other issues that the business community has expressed. Many industries, including trucking, should have the opportunity to describe the concerns unique to their operations.

Thank you for the opportunity to submit OTA's comments. I would be happy to answer your questions. I can also be reached at [dunn@ortrucking.org](mailto:dunn@ortrucking.org) or 503/513-0005.

Sincerely,



Debra Dunn  
President

CC: Commissioner Amanda Fritz  
Commissioner Dan Saltzman  
Commissioner Nick Fish  
Commission Steve Novick

8

**OPPOSE**

EARNED SICK TIME

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)

ADDRESS AND ZIP CODE

Email

✓ Kelly-Jo King	520 NE 4 <sup>th</sup> St, Gresham, OR 97030	kking@proactivesportspt.com
✓ Diane Coward	Venture Portland	<del>Walter</del> dcaedesign2@yahoo.com
on Panel <del>Karen Stewart</del>	<del>310 SW Park Ave 11<sup>th</sup> floor Centurylink Portland, OR</del>	<del>Karen.stewart@Centurylink.com</del>
✓ Bob Neuner	11122B NE Halsey St, PDX <sup>97220</sup>	BobN@elderNW.com
✓ Justin Delaney	1100 SW 6 <sup>th</sup> Ave 97204	
DALE HENNINGSEN	4872 SE Casa Del Rio Milw. <sup>OR 97222</sup>	DALE.HENNINGSEN@comcast.net
✓ <del>TOM</del> TOM KEENAN	1321 NE Couch 97232	
✓ DAVID LOUIE	6924 SW 11 <sup>th</sup> Dr 97219	DavidLouie@gmail.com
JIM HANSEN	6360 NE MILK, PORTLAND, OR	jim.hansen@henryvevent.com

(20) **SUPPORT**

EARNED SICK TIME

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)	ADDRESS AND ZIP CODE	Email
✓ Jeff Anderson	7095 SW Sandburg Tigard 97223	
✓ Susan Lund	10910 SE Lone PDX 97266	
✓ Helen Bellanca	1521 SE 42nd Ave PDX 97215	
✓ Lee Mercer	6601 <del>SE</del> NE MLK PDX 97211	
✓ Jenn Keller	4019 N Winchell PDX 97203	jennifer.m.keller@gmail.com
✓ Ian Rizzio	233 N Failing PDX 97227	
✓ Steve Hughes	825 NE 80th Ave Portland 97213	
✓ Gwen Sullivan	345 NE 8th Portland OR 97232	
✓ Michael Rose	815 SW 2nd Ave Portland OR 97204	
✓ Deborah Steinkopf	5432 N Albina Portland 97217	deborahs@bradleyange.org
✓ Ashley Horne	421 SW 6th Portland 97204	

**SUPPORT**

EARNED SICK TIME

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (print) ADDRESS AND ZIP CODE Email

✓ Bob Tackett	3645 SE 32 <sup>nd</sup> Portland 97214	
✓ Beth Kaye	315 SW 5 <sup>th</sup> Portland OR 97204	
✓ Tia Henderson	240 N Broadway PDX 97227	
✓ Caitlin Baggot	333 2 <sup>nd</sup> Ave Portland 97214	
✓ Nina Fekaris	18765 SW Boones Ferry Tigard 97062	
✓ Sam Gillispie	7095 SW Sandburg Tigard 97223	
✓ Maise Schreiber	4314 SE Yamhill Portland OR 97215	
✓ Toby Green	220 SE 15 <sup>th</sup> Port OR 97233	
<del>Cecilia Hatchett</del>	<del>328 N. Shaver St. Ste 204</del>	
✓ Sally Joughin	2715 SE 34 <sup>th</sup> Ave, Portland 97202	
✓ Bernard Koser		

**SUPPORT**

EARNED SICK TIME

IF YOU WISH TO SPEAK TO CITY COUNCIL, PRINT YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)	ADDRESS AND ZIP CODE	Email
<del>NINA FEKARIS RN School nurse</del>	<del>5485 NW Pondosa Dr Portland, OR 97229</del>	<del>geonia@Frontier.com</del>
✓ STUART FISHMAN	7155 SW IVY LN. #47 PORTLAND OR 97225	sfishman@unions-america.com
<del>Ashley Horne, HRC</del>	<del>OEMR / HRC</del>	<del>ashorne@gmail.com repeat</del>
<del>Bob Tackett</del>	<del>3645 SE 32ND Portland</del>	<del>BTackett@QUESTOFFICE.NET</del>
NO Jonnie PALCIN	16830 GIE WOOD WARD	
NO Randall Davis	Safeway Lloyd Center	
✓ Mary Eng		maryengt@yahoo.com
NO Lakertha Elliott	10 N. RUSSELL PORTLAND, OR 97227	lelliott@wlpdx.org
SUPPORT NOT speaking Judith Beck	1000 SW VISTA Ave #1101 Portland, OR 97205	judith82340@gmail.com

185926

**Parsons, Susan**

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**From:** Lucilene Lira [lucilene@sistersoftheroad.org]**Sent:** Thursday, March 07, 2013 4:15 PM**To:** Parsons, Susan**Subject:** Testimony in support of passing the sick pay time.

Mayor Hales and members of the city council, thank you for the opportunity to share written testimony about the proposed paid sick time ordinance.

I am a single mother with two young children, one of whom has a serious health condition. My daughter has severe asthma, and a cold can keep her home from school for a week. While I am one of the lucky few that has paid sick days, I understand the dilemma so many parents face when sickness in their family means having to weigh the loss of pay against their families' urgent needs. And when people can't take the 2 or 3 days necessary to properly rest and heal from an illness, then they are less productive at work as well as being likely to spread a cold or flu to their coworkers and customers. I am very much in favor of paid sick leave legislation and I am glad that the proposed policy allows people to use the sick leave to care for their children.

Passing paid sick leave legislation is a must both for workers and for society as a whole. Supporting this legislation means that we are more concerned with people than with productivity, with the quality of a life rather than the quantity of hours worked. It is time for such an ideological shift across the U.S. and I will be very proud to see Portland lead the fight!

Lindsay Day,  
Volunteer Coordinator, Co-Manager  
Sisters Of The Road  
Ph.: 503.222-5694 ext 43  
Lindsay@sistersoftheroad

3/7/2013

## Testimony regarding SICK LEAVE – March 7, 2013

A member of our family is an employee of the City of Portland, and enjoys his work. He is a father of four, and has had many jobs, but this is the first time he has ever had a job that provides really good benefits, including paid sick leave. We know how important this is for him and his children, but we are not satisfied only with what our family member has; we want every worker in this city to have the benefit of paid sick leave.

We know that there are many people who can't afford to miss a day's pay to make ends meet. We also know that every parent, whether employer or employee, has to take responsibility for a sick child, as well as for their own health.

Sure, paid sick leave is a benefit for the employee. But we think business owners would also not want sick workers coming to their facility or restaurant or office, spreading illness to other employees. We hope employers also understand that it is not OK for their workers to send their sick children to day care or school, spreading illnesses to other people's kids. Moreover, employees do better work when they are in good health and when they are treated well by their employer.

So we really believe what the signs we're wearing are saying:

**PAID SICK DAYS  
ARE GOOD FOR  
BUSINESS**

**PAID SICK DAYS  
ARE GOOD FOR  
EVERYONE**

*Sally Joughin, Bernard Koser*

Sally Joughin & Bernard Koser  
2715 SE 34<sup>th</sup> Ave  
Portland OR 97202

March 6<sup>th</sup>, 2013

185926

To the City Commissioners of Portland,

This letter intends to provide my testimonial as a middle-class, full-time working mother of two, who earns no paid leave at my current place of employment.

Critics of this measure say that employees will abuse the paid sick leave by always making sure they take those paid days off regardless of whether they need to or not. I disagree with this. At my previous job, where I worked for over 7 years, the company provided paid sick leave for its entire administrative staff. At the time, already being a mother of two, I never took more than an average of 2 days of sick leave per year. Working for a company who cares enough about its employees to provide paid sick leave creates an environment of loyalty, responsibility and cooperation. If the company you work for shows you that they really care about your success and well being, then you feel bad about being dishonest. I took my responsibilities and deadlines seriously and I just couldn't let my co-workers and company down unless it was a very serious case. Providing paid sick leave is a win-win situation, the company thrives because its employees thrive in the company.

Unfortunately the reality at many places of employment, including my current one, is that employees are not offered something as basic as paid sick leave. This creates an environment where not only the physical sickness is brought to the work place, but also the overall employee morale becomes sick both of which are contagious and bad for the bottom line. This winter has been very hard at my work; at one time we had 7 sick people sitting in the office pretending to be productive. A few weeks ago I had to go to work even though I had pneumonia which is highly contagious. During those two horrible days I sat at my desk, powered by pain killers trying to be productive but wishing I could be at home resting and recovering.

The bout of sickness appears to have finally left my work place, for now. Every time we hear someone sneeze there everyone around them hopes that person is not really sick, because if that's the case we all know we likely will all have our turn getting infected as it makes it way around the office. As I said before, I believe if my co-workers could afford to stay home, my workplace would actually be more productive since fewer people would get sick and those who are would recover faster. Last time when we all got sick we started asking around, jokingly, "who's at fault for getting everyone sick". One time my name was brought up as the guilty party and then the daughter of the owner of the company asked "Why didn't you stay at home instead of getting everyone sick"? I responded, "Because I, as with most of us, cannot afford to stay home sick, I need my income in order to provide for my family".

Another important point is not being able to care for my children when they are sick. There were times when I needed to send my children to school or day care knowing they were sick and could potentially get the other children and teachers sick as well. It is heart wrenching to know that they would be better off staying home, but instead I have no alternative than to give them Motrin to reduce their fever, mask their sickness and send them off to school or day care.

My story joins with the story of dozens other Portlanders here today. I hope that you find it to be in the best interest of our city to approve this simple ordinance that will greatly increase the productivity and quality of life for the citizens of this great city.

Sincerely,  
Maise Ponce (Schreiber-Ponce)

(Please keep my name undisclosed. My employers would not approve me giving this testimony.)



March 7, 2013

Dear Mayor Hales, Commissioner Fish, Commissioner Fritz, Commissioner Novick, and Commissioner Saltzman,

My name is Beth Kaye. I am here today representing the Oregon Public Health Institute, a non-profit agency dedicated to improving community health through policy and system change. I appreciate the opportunity to share OPHI's perspective with you today as you consider this very important health policy. As one of a national network of public health institutes, OPHI assists policy makers to make good decisions by describing the impact a proposed action will have on public health. OPHI supports this proposal.

We hope employers consider this proposal within the larger context of a culture of health. As Commissioner Novick observed in his recent blog about OPHI's Wellness@Work program, rising health care costs makes employee wellness an economic imperative. Comprehensive worksite wellness programs contain health care costs, decrease absenteeism, improve employee morale, cut the number and cost of workers' compensation claims, and help attract and retain healthy employees.

But when employees are sick, they need time to take charge of their health. This, too, is essential to creating a culture of health in Portland workplaces.

There are so many workers now, in our service economy, who have no right to any kind of leave, paid or unpaid. This group includes 80% of Portland area food service workers, and the vast majority of people in the care-taking occupations that we depend on when we are sick, and entrust with our children and elders: home health aides, nursing home employees, hospital aides, child care workers. They earn no sick leave, no vacation leave, no personal days. Many decent employers will nevertheless find a way to accommodate these employees when, for example, the flu strikes -- those employers have my gratitude and respect.

Unfortunately, there are many other employers who do not. A person who works for one of these employers and reports to work ill will not recover as quickly, and may spread illness to her co-workers and others. If she stays home when she or one of her family members is ill, she will incur pay loss and risks job loss. Pay loss or job loss is destabilizing to the worker and the worker's family. If the worker lives like so many of us do, paycheck to paycheck, pay loss or job loss could put her housing in jeopardy and lead to further problems that will ripple out into the broader community.

oregon  
public  
health  
institute

315 SW Fifth Ave  
Suite 202  
Portland, OR 97204  
503-227-5502  
503-416-3696 fax  
www.orphi.org

*tomorrow's health today*



OPHI appreciates that, confronted with this very real community problem, City Council did not flinch. It conducted a thorough process to gather information and explore solutions that would work in Portland. It is providing leadership towards a culture of health.

The current proposal makes good sense. It acknowledges that we are all in this together, as Commissioner Fish has often observed. We are not two societies, employers distinct from employees; we are one. It strikes the right balance between the legitimate health needs of an employee, and the employer's interest in having a healthy, productive workforce it can count on.

On a personal note, in this last calendar year, I used time off to deal with the following family health matters: two separate rounds of head lice afflicting a family member, two separate mornings of a family member's more-or-less continuous vomiting, three appointments with my endocrinologist for management of my Type 1 diabetes, ten appointments where I drove my mother to the eye doctor, oral surgeon, neurologist, gerontologist, orthopedist, and physiatrist, two cataract surgeries, and a series of appointments with a family counselor in connection with a family member's drug and alcohol treatment. Life is complicated. No one should lose a job because of it.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Beth Kaye", with a long horizontal stroke extending to the right.

Beth Kaye

oregon  
public  
health  
institute

315 SW Fifth Ave  
Suite 202  
Portland, OR 97204  
503-227-5502  
503-416-3696 fax  
www.orphi.org

*tomorrow's health today*



Good afternoon Mayor and Commissioners. For the record, my name is Caitlin Baggott, and I am the Executive Director of the Bus Project.

171,000 young people live, work, play -- and vote -- in Portland, about a third of the city's overall population, and I'm here today because Earned Sick Days is an issue that young people in our city care about.

The Bus Project engages young people as volunteers on issues that matter to our generation. Last summer our volunteers collected letters from thousands of Portland residents in support of earned sick days. Out in our neighborhoods, we learned that Portland workers are passionately interested in this issue. We heard in conversation after conversation, from North Portland to East Portland and downtown, that young workers bear a heavy burden when they are not afforded the basic ability to earn time off to take care of an illness, or to care for a sick child or parent.

As you have heard from my colleagues and neighbors, 80% of all low-wage workers do not have access to earned sick days. As it turns out, young people are disproportionately affected by this reality. Most low-wage and service-sector jobs are held by young workers.

What this means is that young workers are both less likely to have earned sick days and also less likely to be able to afford unpaid time off. They have limited economic flexibility as few have created a financial safety net so early in their careers.

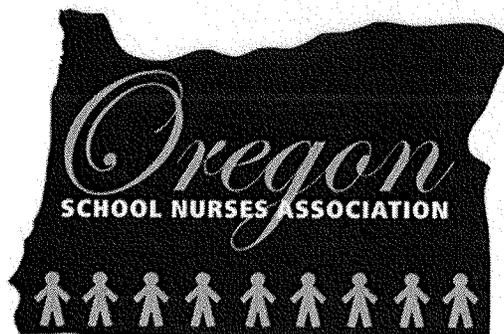
Some may imagine at this point in their life, in their teens and twenties, that young people have less responsibility or are supported by parents. This is not the case. In 2010, people under the age of 35 represented  $\frac{1}{3}$  of the overall work force. And they're not working to buy lattes and concert tickets. They're saving to start a family or care for the family they have. In Oregon, the average age of motherhood is 25. These are not young people with no responsibilities. These are young workers with significant and often overwhelming responsibilities. Working and raising a family without the ability to earn time off when illness strikes can have a lifelong negative impact on both the parent and the child.

Right now, the system disadvantages an already struggling demographic who make up the majority of the low-wage workforce. Earned sick days provides a cushion for those facing incredibly tough choices between their health, their child, or their job.

I've always been fortunate enough to work in places that fully supported their staff; I've never had to worry that I would lose my job if I got sick, or if my daughter needed to stay home from school. As a result, I've been able to focus on my work and be a more productive employee. I see this reflected in my own staff at the Bus Project.

The Bus Project employs a dozen permanent staff who are generally young. We're a non-profit, and we operate on a modest budget. Offering paid time off has not had a negative impact on our work or our budget. It leads to a more focused, effective and healthier workplace. The earned sick days policy requirements for Portland businesses are small compared to the positive impact that would result: improved public health, productivity and job stability, and improved economic security.

I urge you to support the next generation of this City by supporting this common sense public interest policy. Thank you for your time.



Testimony of: Nina Fekaris, RN, NCSN

3/7/13

Thank you for the opportunity to speak to you today about such an important policy that impacts tens of thousands of school age children; Paid Sick Time.

I have been a school nurse in the metro area for the last 25 years. In that time, many, many things have changed in the school setting. One of the most significant has been the dramatic increase in the numbers of students with acute and chronic health conditions that are now being managed in our schools. Another significant change has been the numbers of children that are too sick to remain in school, spend hours in our health rooms, because there is no parent or guardian able to come get them and take them home. Twenty five years ago all I had to do was pick up the phone and a parent was at the school taking their sick child home. That is not the case today.

In December of this year I had a 5<sup>th</sup> grade student who had been in a severe car accident and had suffered multiple broken bones and lacerations. They were cared for in the hospital for 2 days and returned to school the very day they were discharged from the hospital, because the parent could not take any time off work. So I had a student who was on narcotic pain medication resting in the health room four to five times a day for two weeks.

In February of this year, when the flu was beginning to hit Oregon, in a 2<sup>nd</sup> grade classroom one day there were 3 students absent, the next day there were 17 students absent including the teacher. What that tells me is that one student came to school with the flu and in two days 18 other families were impacted with missing work because of sick children. If that one student had been able to stay home when they first became ill, we could have prevented this impact.

These are just two real life examples how a paid sick time policy could help all students.

Sincerely,

Nina Fekaris, RN, NCSN

Testimony to Portland City Council  
March 7, 2013

185926

My name is Deborah Steinkopf and I am the Executive Director of Bradley Angle, a local agency that has been providing safety, support, and hope to domestic violence survivors for almost 40 years.

Thank you for the opportunity to speak with you today about the importance of paid sick and safe days for people coping with the destabilizing effects of domestic violence and trying to repair their lives.

At Bradley Angle, we work with close to 700 survivors of domestic violence and their children each year, in both our residential and nonresidential programs.

Survivors are faced with a myriad of challenges and must navigate complex systems to cope with and become free from domestic violence.

This includes law enforcement and the courts, medical providers, affordable housing providers, schools, and social service agencies like Bradley Angle that help them get to safety and get the resources in place they need to maintain it.

This all takes time. And some of that time is during work hours.

It's critical that survivors are able to access paid sick time to address their safety and the safety of their children. Because many survivors are in the process of breaking away from abusive partners, they cannot afford to go a day without pay. They need their income to secure safe housing and to take care of the needs of their children.

Survivors of domestic violence face so many barriers. Removing economic barriers is an "upstream" approach. We know firsthand that the loss of income or a job endangers them further because it often means continued dependence on an abusive partner. Or it means risk of homelessness. Once a survivor becomes homeless and dependent upon the emergency shelter system, it takes a lot more effort and substantial resources to get her back on her feet. This costs our community more than doing whatever we can to keep her in her job and work with her on her safety needs.

By supporting a worker who is dealing with domestic violence with paid time off, we are helping her seek safety – which can save lives – and helping her maintain economic security – which is essential if she is to maintain her safety.

I thank the City Council for taking this issue up and moving Portland forward in this important way that will really make a difference in our work helping victims become survivors in Portland. I urge your unanimous support of paid sick leave in Portland.



1321 NE Couch St. Portland, OR 97232  
Ph. (503) 231-5035 Fax (503) 231-8994  
AP / AR Fax (503) 232-5093

March 7, 2013

Portland City Council

Dear Commissioner,

I am writing about the paid sick leave proposal currently on a fast track passage in the City Council.

Although it has minimal effect on Portland Bottling as we currently have PTO for our employees to use any way they wish of 80 hours per year, I do not believe this is in the best interest of the City or the "40%" who do not have paid sick leave.

Research from The Institute for Women's Policy Research group (IWPR), a strong proponent for the San Francisco paid sick leave policy, concludes the following when you exclude companies already providing this to their employees prior to enactment:

1. 51% of low wage workers report adverse consequences including fewer hours worked, layoffs, less pay, reductions in other benefits and more work
2. 65% of companies adding this provision reported lower profits, including 92% of firms with fewer than 10 employees
3. 43% of companies affected reported they reduced other forms of compensation as a result of implementing paid sick leave
4. Compliance is cumbersome and costly
5. Employees will take 4 days per year of paid sick leave based on the US Bureau of Labor Statistics, not the 2.5 days assumed
6. There is no reduction in employee turnover
7. There is no reduction in reduced use of emergency rooms
8. There is no reduction in presenteeism (showing up to work sick anyway)

The public health purpose is not affected at all. This is strictly paid time off by decree!

If this is good enough for every business then it must apply to all City, County and State workers as well. To exempt any government employees is just flat out unacceptable.

With these above facts, the increased costs to business and government (estimated cost in excess of \$200,000 the first year for notification and enforcement) and the weak local job market, this will only result in further weakening the recovery for small business in Portland.

The results will be no different in Portland than in San Francisco, so why the rush and actually why at all? It just doesn't do what it is supposed to do. As much as this may be desirable, now is not the time to add more government demands at the expense of small business. Small business is the backbone of the economy. How about putting into place ways to encourage small business to add this rather than force an issue that has no results based on fact.

With the Health Care Act also kicking in on January 1, 2014 this could be the demise of many small business entities because there is a cost to every benefit.

The City has to find cuts for \$25 million in their current budget but yet wants to add more expense to small business. This seems rather hypocritical to me.

I do not believe this is "Government of the people, for the people, by the people"!

Cordially,



Tom Keenan  
President

March 7, 2013

**Testimony of:**

Ian Rizzio  
233 N. Failing St.  
Portland, OR 97227

Mayor Hales and members of the city council, thank you for the opportunity to share my testimony. My name is Ian Rizzio, I'm a student at PSU. To support myself while in school, I've worked nearly full time, mostly in the service industry. I'm a hard worker – I've been balancing school and work for the past 4 years, and always without any paid sick time. I worked at a local sandwich shop for 3 years without any benefits, and one day I got sick – really sick. I was manager of the store, so I knew that when an employee throws up at work, they have to go home – it's the health code law. So, I called my boss, called the other store, left messages, and sat outside in my car, nauseated, trying to make sure the store was covered. The next day, I came in to have my boss fire me on the spot. I had no recourse, and with \$35,000 plus of student debt, I had to set out to find another job to support myself. Even with loans and student aid, I need to have an income to afford housing, books, and transportation. I found myself looking at the harsh reality of finding employment quickly, or having to take time off of school. Luckily, I did find a job – but again, I'm without any sick days. Unfortunately, this just wasn't isolated to that sandwich shop – this is a major issue across industries. I've worked with children at a large day camp, and inevitably ended up sick from being exposed to lots of germs – but we weren't able to take a sick day to stay home and heal. All workers in all industries deserve sick time.

I'm here today to stand up to make sure that the people of Portland do not find themselves in the terrible situation I was in.

I'm also here because I'm a member of Working America, a group that fights for good jobs, a just economy, and working people all over the country. A couple of weeks ago, I signed the petition to call for the Mayor and City Council to vote in support of the Earned Sick Days ordinance. Today, I'd like to deliver the 1,442 signatures from my fellow Portlanders who signed this petition in the last 4 weeks, and urge the council to pass this without delay. Workers can't wait any longer.

Thank you for your time, Mayor and City Council.

March 7, 2013

Mayor Hales and members of the city council, thank you for the opportunity to share my views here today.

My name is Steve Hughes and I am the State Director of the Oregon Working Families Party. We are an independent, grassroots political party dedicated to fighting for the bread and butter economic issues that matter to working people. I am submitting for the public record approximately 1500 signatures and comments from Portlanders calling on the Council to pass the ordinance before you.

I'd like to comment on the process, which opponents of this ordinance seem to still be focused on as a reason to vote "no". I'd like to commend the City Council for the thorough process that has been conducted up to this point. In fact, it led one City Hall observer in the press to remark that this process may be a prototype for future work in city hall, and having been a part of this effort for over a year, I can say that it has been a long but productive road.

This ordinance is a compromise. No one got everything they wanted. I certainly would have liked it to be stronger in certain regards, but I respect the fact that after over a year of conversations, stakeholder meetings...and then more stakeholder meetings...a strong consensus is emerging in this community: everybody benefits when we have basic labor standards, especially ones that ensure that workers don't have to choose between going to work sick or losing a day's pay. Everybody benefits when workers in restaurants, childcare centers and other such public spaces, aren't spreading disease because they can't stay home when they are ill.

You will never make everyone happy. A look at Oregon history shows that way back in 1912 certain business interests were not happy with minimum wage laws, and even went so far as to take their case to the U.S. Supreme Court. Fortunately they lost. I would submit that we are on the right side of history here. As has been noted, 145 other countries have this basic labor standard, and it is time that we take a leadership role in moving that direction here. If we don't start here, where will we start? If we don't start now, when will we?

I commend all of your work on this issue and I look forward to a vote next week to conclude this long process. Thank you.

Steve Hughes  
825 NE 80<sup>th</sup> Ave.  
Portland OR 97213

Public Hearing

Testimony of Jennifer M. Keller

March 7, 2013

City Hall

Protected Sick Time Ordinance

Portland, OR

Mayor Hales and members of the city council, thank you for the opportunity to share my views today.

I first learned that Portland was considering this paid sick time ordinance when I received a Change.Org petition about a month ago. I was happy to see that our City Council was leading on this issue and immediately signed the petition. On behalf of all of the Change.Org petition-signers—over 1,300 total—I am delivering this petition to you today. I urge you to read it, including the many, many comments from Portlanders telling their own stories of how paid sick days would make a difference in their lives.

I have been in the workforce for almost 17 years, and have not had sick leave at a job since 2005. I currently work as a paralegal for a law firm, but I won't qualify for sick leave until the middle of August. Add into this mix that my job doesn't pay well and that getting sick isn't something you can control. As a result, I have often gone into work while sick. Recently, I had the flu and was at work with a fever, which ended up spiking to 104° later that evening. Staying home just wasn't an option because I need every penny I earn. In the past, when I have stayed home sick by a doctor's orders, I have stressed over how I could possibly afford the loss in wages and we all know that stress doesn't help a person recover from any illness. Not only do I stress about losing a day or more in wages when I get sick, but I also worry about the cost to see my doctor, and the cost of the antibiotics or other medications (even over-the-counter ones) to help me get better. If this ordinance was already in place when I started working, I would have been able to take the days off I needed when I had the flu to get better without these aforementioned stressors. I would have recovered faster, and wouldn't have had to worry about making my rent payment the following month.

Employers and legislators need to understand the importance of workers having the ability to take time off when sick. After all, I highly doubt that employers want their employees coming in sick and infecting an entire office or infecting the public. Additionally, people who are sick are far less productive. Offering paid sick time would be good for workers, good for businesses, and good for our community's health.

Mayor Hales and members of the City Council, thank you for this opportunity to share my views on the paid sick days ordinance.

I have been working for the same grocery store for 15 years, and while I have some paid sick hours I can't actually use them until the 3rd day that I'm sick. On top of that, I have to bring in a doctor's note or else I would get in big trouble. I can't afford to lose 2 days' pay, and I certainly can't afford to go to the doctor on top of that. My health insurance (which I have through this same job) requires me to pay a \$~~6000~~ deductible, and then 20% of the cost of a doctor's visit plus a \$15 copay. So the same employer that gives me this costly insurance is requiring me to go to the doctor and pay these fees. As a result, I go to work sick all the time.

When I absolutely can't get to work because I am so sick, and I stay home without pay, I have to decide which bills won't get paid that month. I do my best to keep it from affecting my children but I don't always succeed.

Even though I have worked for this same employer for 15 years, I worry about being fired if I get sick. As a mother, I have had to stay home sick occasionally not only for my own sickness but also for my children's. In addition, this past year my son was being bullied and I had to take time off in order to work with the school and keep him from being harmed. As a result, I took what was considered to be "too many" unpaid sick days. I was written up, and told that I'm on a slippery slope and I need to be careful. This is devastating to me. I need my job and I can't afford to quit or get fired.

Paid sick days would make a big difference to me and to so many other people like me -- I wouldn't have to go to work sick, I wouldn't have to worry about paying my bills, and I could address my son's being bullied at school without being scared of losing my job. Portlanders need paid sick days. I hope you will pass this law.

Thank you,

Susan Lund

March 7, 2013

Mayor Hales and members of the City Council,

Thank you for the opportunity to provide testimony regarding the proposal for paid sick time for Portland workers. I am a family physician, and have worked in community health clinics serving low income families in Oregon for the past 13 years. I recently accepted the top Maternal Child Family Health position with Health ~~Share of Oregon, our state's largest HMO~~ and the main one covering the Portland Metro area.

In my years of primary care practice, I saw many families who would have benefited from a paid sick leave policy. Low-wage workers struggle to find both employment and child care that meets their needs, and they are often constantly battling to hold the basic logistics of their family lives together. I saw many patients who had to choose between staying home with a sick child (or staying home because of their own illness) and keeping their job. There were several families who described needing to leave their children in unsafe situations (like with neighbors they were not sure they could trust) because the children were ill and could not go to daycare, but the parent could not take time off work. In particular, I remember one of my patients, a low-income single woman who was pregnant and clearly needed a C-section, but asked me not to do it. Her plan had been to deliver her baby and be back at her job within a week, and she was afraid that if we did surgery she wouldn't be able to return to work so quickly and she would lose her job. Not doing the C-section seriously jeopardized her health and her baby's health, but proceeding with it would seriously jeopardize her financial status and her housing, which would have an even bigger impact on the health of both mother and baby.

As a physician and a public health professional, it is frustrating to know that even when I recommend time off from work for an ill patient, and the patient agrees that is what they need, there is no reasonable way for that to happen. Instead, many ill adults and children show up in workplaces and child care settings, spreading infections like the flu and gastroenteritis, so that families can continue getting the paychecks they so desperately need to stay afloat. In turn, those illnesses spread to more families who find themselves in the same position. This is a health inequity. High-income earners do not deal with this issue at near the same rate as low-income workers do.

This proposal to offer paid sick leave is a strong step in the right direction. It says that we value the health and well-being of all our families. It says that we, as a community, want to ensure that all our residents are empowered to take care of themselves and their children without being financially burdened for it. It says that when we make decisions, we do our best to align those decisions with good public health practices. I strongly urge you to support paid sick leave for Portland residents.

Please feel free to contact me with any questions.

Respectfully,

Helen K. Bellanca, MD, MPH  
1521 SE 42<sup>nd</sup> Ave  
Portland, OR  
503-621-8961

Jeff Anderson, Secretary/Treasurer of United Food and Commercial Workers Local 555

Thank you Mayor Hales and Commissioners for the opportunity to testify before you today. I am an avid supporter of this ordinance and believe the proposed ordinance before you today will serve as a model for cities across the country who will follow your lead – and for the state of Oregon.

I have been honored to participate in the process of developing the proposed ordinance over the past year. I have spoken with and heard from union leaders, our members, unrepresented employees and employers over the past year and I believe their feedback has been well incorporated into the ordinance before you today. I participated in policy discussions with a variety of advocates, business owners and labor representatives last fall, and again last month in the task force led by Commissioners Fritz and Saltzman. As a participant in that task force I was impressed by the leadership the Commissioners exhibited as they worked to insure that all the voices at the table were heard and validated.

As the sole “labor” representative at the table for most of the meetings (though I was joined by a representative from the AFL-CIO for part) I admit I was skeptical about how the task force would strengthen this ordinance. After participating and seeing the product that resulted I can say that I absolutely believe that the process strengthened the product. The Commissioners were right to engage a task force in this manner, and I believe the process could serve as a model for the city in the future.

This ordinance will help my UFCW members. You have heard stories from our members – and will hear more today – about their experiences working the deli or the register sick. About delaying treatment so they could avoid taking unpaid sick days, or avoid retribution for taking unpaid sick days. About leaving kids home sick when they needed a parent with them, all because they did not have the paid time off they needed.

But I want to be clear. This is not *just* about our members. UFCW 555 has worked to support a broad policy that covers all workers in Portland. Our members and our customers. Everyone who works needs paid time off to recover from illness without risking their job, without worrying about how they will pay their bills. I believe the ordinance before you today represents a historic victory for workers in this city – and that it will lead to more historic victories across the country. Thank you.



185926

**Date:** March 7, 2013

**To:** Mayor Charlie Hales, City of Portland  
Commissioners Nick Fish, Amanda Fritz, Steve Novick, Dan Saltzman

**From:** Bill Perry, Vice President of Government Affairs  
Oregon Restaurant & Lodging Association

**Subject:** Testimony on Paid Sick Leave Ordinance

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To Mayor Hales and Commissioners,

First, let me begin by saying that the Oregon Restaurant & Lodging Association was asked to serve on the task force to discuss Portland's Sick Leave Ordinance, and we appreciated the ability to participate in the discussion. However, since we were not able to work on revising the draft through the task force process, ORLA would like to share some concerns.

Not the right time or the right benefit. During a recession is not the right time to propose additional requirements to businesses attempting to hire new employees, and paid sick leave is not the right benefit to offer. When asked, paid sick leave is not one of the top benefit choices requested by employees. Instead, employees prefer wage increases, health care, and paid vacation. Therefore, employers that have the ability to provide increased benefits consider these alternatives instead of paid sick leave. Unfortunately, many business owners are struggling to provide these benefits in this difficult economy.

Benefit package changes looming large in 2013. In addition, the biggest change to employee benefit plans is looming large at the end of this year. The Affordable Health Care Act requires employers to offer health care, and if they do not or if employees choose not to accept the benefit, employers will face fines. No one can say for sure what the true impact of this important change will be on small businesses, many of which are fighting to stay afloat financially.

Shift trading is vital to our industry. The practice of shift trading is one of the most vital policies in the foodservice and hospitality industry. Shift trading allows employees to take days off, for illness or personal reasons, and still earn the tips they highly rely on. Shift trading is also key because the law does not allow sick employees to work in restaurants. If ill, employees stay home and make arrangements to trade shifts or pick up additional shifts when they are healthy again. This longstanding practice allows workers to retain their income and protects the public as well.

ORLA requests revisions to the proposed ordinance. The recently-enacted sick leave ordinance in Seattle does not require benefits to be paid until 180 calendar days after employment begins. And while many employee benefit packages do not commence until a worker has been on the job for a year, we are not asking for such a lengthy waiting period. We request that Portland's new local mandate align with what Seattle is doing, and begin following the 180th day of employment. Below are two recommended changes to the proposed ordinance:

An employee may not use sick time:

1. If the employee is not scheduled to work in the City of Portland on the shift for which leave is requested; or
2. During the first ~~(90)~~ **180** calendar days of employment, unless the employer allows use at an earlier time.

And what I believe is just a grammatical change:

Accrual of Sick Time

H. Sick time accrued by an employee that is not used in a calendar year may be used by the employee in the following calendar year(s). An employer is not required to allow an employee to carry over accrued hours in excess of 40 hours.

Again, our industry appreciates the inclusion of language in the ordinance that allows shift trading. We can't emphasize enough how critical this is to employees who gain a substantial portion of their income directly from the consumer through tips.

While we understand the overall intent of this proposal, many in our industry believe this ordinance will lead to a reduction in hours, and in the elimination of other benefits employees may actually desire more than paid sick leave. Let employers find solutions that work for their employees. Portland has a very diverse business culture, and this proposal affects so many of them in different ways. With health care mandates, automatically adjusted wage increases, and now paid sick leave, there will most certainly be job losses. The important question is how many jobs will be lost?

Respectfully submitted,



Bill Perry  
Oregon Restaurant & Lodging Association

# Briefing Paper



www.iwpr.org

IWPR #B311

March 2013

185926

## Valuing Good Health in Portland: The Costs and Benefits of Paid Sick Days

### 1. Summary

Policy makers across the country are increasingly interested in ensuring that workers can accrue paid time off to use when they are sick. In addition to concerns about workers' ability to address their own health needs, there is growing recognition that with so many dual-earner and single-parent families, family members' health needs also sometimes require workers to take time off from their jobs. Allowing workers with contagious illness to avoid unnecessary contact with co-workers and customers has important public health benefits. Paid sick days also protect workers from being disciplined or fired when they are too sick to work, help families and communities economically by preventing income loss due to illness, and offer savings to employers by reducing turnover and minimizing absenteeism.

Legislators in Portland are considering the "Protected Sick Time Act." Using the parameters of the proposed legislation and publicly available data, the Institute for Women's Policy Research (IWPR) estimates the anticipated costs and some of the anticipated benefits of the law for employers providing new leave, as well as some of the benefits for employees.

The briefing paper uses data collected by the U.S. Bureau of Labor Statistics, the Centers for Disease Control and Prevention, the Oregon Public Health Division, and the U.S. Census Bureau to evaluate costs and benefits of Portland's "Protected Sick Time Act." It estimates how much time off Portland workers would use under the proposed policy and the costs to employers for that sick time. This analysis also uses findings from previous peer-reviewed research to estimate cost savings associated with the policy, through reduced turnover, reduced spread of contagious disease in the workplace, prevention of productivity losses from employees working while sick, minimizing nursing-home stays, and reducing norovirus outbreaks in nursing homes. The study is one of a series of IWPR analyses examining the effects of paid sick days policies.

The analysis, which quantifies only a subset of potential benefits, still finds a net economic benefit from the proposed legislation. Likely additional benefits from paid sick day not quantified in this analysis include: lower health care spending due to reduced public contagion and more timely and regular preventive care and treatment; improved economic security among families who receive pay on sick days and are less likely to be fired or disciplined for taking sick time; and improved school outcomes and reduced contagion in schools due to parents' ability to take time out of work to care for sick children rather than sending them sick to school or child care.

## Key Provisions of Portland's "Protected Sick Time Act"

- Private sector employers with a minimum of six employees shall provide employees with one hour of accrued paid sick time for every 30 hours of work. (Employers with a maximum of 5 employees shall provide employees with one hour of accrued unpaid sick time for every 30 hours of work.)
- Employees may accrue and use up to five days (40 hours) of sick time in a calendar year, with the option to carry over unused sick time to the following calendar year; however, no employer shall be required to allow an employee to carry over a combined total of sick time in excess of 40 hours.
- Only private sector employees that work an excess of 240 hours per calendar year in the City of Portland are eligible for sick time.
- Paid sick time may be used for personal illness, to take care of family members, for preventive care, or in case of domestic violence, sexual assault, or stalking.
- Time may also be used in the event that a public official closes a school or place of business due to a public health emergency.

## Who Will Access and Use Paid Sick Days?

- In Portland, approximately 263,100 private sector workers currently lack paid sick days. About 121,300 of these workers have no paid leave benefits of any kind (including vacation) and are eligible to receive new leave under the "Protected Sick Time Act."
- Employees are estimated to use an average of 2.2 days annually out of a maximum of five that may be accrued, excluding maternity leave.
  - Workers covered by the Protected Sick Time will use an average of 1.3 paid sick days for their own medical needs.
  - On average, workers will use half a day to address family members' medical needs and about one-third of a day for doctor visits.
  - Workers will utilize all of their allotted paid sick days after they give birth to or adopt a child. Half of their partners will also use number all of their allotted sick days.
  - Victims of domestic violence that take time off will also use all of their allotted paid sick days.

## How Much Will Paid Sick Days Cost Businesses?

- Annually, Portland employers are expected to spend \$46 million in providing new paid sick days for employees.
- This cost of the law for employers— which accrues due to lost productivity and increased wages, including benefits and administrative expenses—is equivalent in cost to a \$0.19-per-hour increase

in wages for employees receiving new leave, or about \$6.90 per week for covered workers (Table 1). Covered workers work an average of 7.44 hours per day.

- Covered workers who give birth and half of their partners are expected to use all of their available paid sick days, for an additional annual cost of \$1.8 million.
- Workers without paid sick days currently come to work sick and work at less than full productivity levels, resulting in current productivity losses of about \$4 million annually; this represents an adjustment to expected costs of implementing the proposed law.
- The costs for business of the spread of flu within workplaces, when employees go to work while ill, are about \$2.2 million dollars annually. The costs for families of the spread of flu and norovirus are estimated to be about \$1.4 million in doctor visits and prescription costs. These costs associated with disease spread are likely to be underestimated as they only account for a subset of contagious illness (the flu and norovirus). A comprehensive accounting of the spread of all common contagious diseases—including colds, mononucleosis, hepatitis, strep throat, and conjunctivitis (pink eye)—would reflect much higher costs.

## What Benefits Will Paid Sick Days Produce?

- Providing new paid sick days is expected to yield benefits of \$56.8 million dollars annually for employers, largely due to savings from reduced turnover, increased productivity, and reduced contagion of communicable diseases in the workplace. The anticipated benefits for employers are expected to have a wage equivalent of a savings of \$0.24 per hour, or about \$9.00 per week per covered worker (Table 1).
- A comparison of costs for employers and anticipated benefits for employers from the “Protected Sick Time Act” yields expected savings of \$13 million, equivalent to a net savings for employers of about \$2.10 per worker per week for covered workers (Table 1).
- Workers and their families will enjoy lower expenditures for health care services and reduced nursing stays totaling \$18 million annually.
- The community will spend about \$15.6 million less annually on health care expenses as a result of reduced emergency department use. About \$6.1 million in savings is predicted for public health insurance programs—and taxpayers—as a result of making paid sick days universally accessible in Portland.
- In addition to the benefits listed above, paid sick time will likely create many other significant benefits for employers, workers, families, and the broader community. These benefits are likely to include: improved health and more efficient utilization of health care for family members of workers who use paid sick days to access or provide care; improved public health through reduced spread of contagious disease; improved family economic security as a result of wage replacement and stable employment; and reduced expenditures on public assistance programs due to improved family economic security.

The estimates presented in this briefing paper assume that all workers eligible for leave under the new policy would know about their new paid sick days. On the contrary, during the early years of the program, it is likely that many workers will be unaware of their new leave benefits and not take any time off under

the new law.<sup>1</sup> In particular, workers may not be aware of the multiple uses allowed by the law. Thus, both costs and benefits in the early years of a new program may be considerably lower than these estimates.

**Table 1. Summary of costs and benefits of Portland's: "Protected Sick Time"**

Costs and benefits	Dollars	Average per-worker costs/savings	
		Weekly	Hourly
<b>COSTS</b>			
Wages, wage-based benefits, payroll taxes, and administrative expenses of:			
PSD for workers currently lacking any paid leave	\$45,716,003		
Use of PSD for domestic violence	\$57,020		
Use of PSD for parental leave	\$1,769,796		
Currently lost productivity (adjustment to costs)	-\$3,991,111		
<b>Employers' costs</b>	<b>\$43,551,708</b>	<b>\$6.90</b>	<b>\$0.19</b>
<b>BENEFITS</b>			
Lower turnover	\$54,555,449		
Reduced flu contagion in the workplace	\$2,200,100		
<b>Employers' savings</b>	<b>\$56,755,549</b>	<b>\$9.00</b>	<b>\$0.24</b>
Reduced nursing stays			
Reduced norovirus	\$1,026,679		
Reduced flu contagion	\$366,341		
Reduced emergency department visits	\$15,551,474		
<b>Community savings</b>	<b>\$17,965,708</b>	<b>\$2.85</b>	<b>\$0.08</b>
<b>Net Savings for Employers<sup>a</sup></b>	<b>\$13,203,841</b>	<b>\$2.10</b>	<b>\$0.10</b>
<b>NET SAVINGS</b>	<b>\$31,169,549</b>	<b>\$4.90</b>	<b>\$0.10</b>

Source: Institute for Women's Policy Research Analysis.

<sup>a</sup>Net savings of the proposed "Protected Sick Time" for eligible workers.

## 2. Access and Use of Paid Sick Days under: “Protected Sick Time Act”

The number of Portland workers who will benefit from the proposed policy and the cost and benefits of the proposal are estimated below.

### How many workers will be affected?

The share of workers covered by either vacation or paid sick days (or both) is calculated and disaggregated by occupation using data from the 2010 National Compensation Survey (NCS). Data on the number of workers by occupation in Portland is from the 2011 American Community Survey (ACS). In Portland, approximately 263,100 private sector workers currently lack paid sick days. About 121,300 of these workers have no paid leave benefits of any kind (including vacation) and are eligible to receive new leave under the “Protected Sick Time Act.”

Some workers who lack paid sick days do have paid vacation leave or general paid time off. This estimate assumes that employers with this kind of leave program will convert their current policy to one that conforms to the provisions of the “Protected Sick Time Act,” transforming paid vacation days to paid sick days or general-use paid time off without offering more total days off than they do now.<sup>2</sup>

Some Portland workers who currently have paid time off will receive additional days under the “Protected Sick Time Act.” This is not likely to have a significant cost impact, because (1) workers who already have sick days with pay are granted an average of eight or nine days, therefore little or no change will be needed for most employer policies (U.S. Bureau of Labor Statistics 2012) and (2) most workers will not use their full allotment of paid sick days (see below).

### How many paid sick days will workers take?

To care for their own medical needs, their families' needs, and for doctors' visits, workers are estimated to use an average of 2.2 days annually. Methods for calculating expected leave-taking are described below.

#### For their own medical needs

The average number of days of work that are missed for health reasons is calculated for the U.S. workforce by occupation and firm size using data from the 2011 National Health Interview Survey (NHIS).<sup>3</sup> When workers are limited to a maximum of five days of work loss, workers with paid sick days miss an average of 1.3 days annually for illness and injury, excluding maternity leave. About half of all workers who are covered by paid sick days policies do not take any days off for illness or injury in a given year.

#### For family care

According to the U.S. Department of Labor’s 2000 Family and Medical Leave Act Survey of Employees (FMLA) workers take 0.3 days of FMLA-type leave to care for ill children, spouses, and parents for every 1.0 days of own-health leave (Rutgers University Center for Women and Work 2005).

#### For doctor’s visits

Workers with paid sick days visit the doctor an average of three times per year (IWPR analysis of the 2011 NHIS). These visits may be during or outside of work hours or might already be included in time off due to illness or injury. For the analysis in this briefing paper, the average number of doctor’s visits is

calculated by occupation and by business size using data from the 2011 NHIS. Each visit is assumed to take one hour of work-time.<sup>4</sup>

### For maternity leave

There are an estimated 7,900 births and adoptions each year to women employed in Portland, and 2,550 of these women currently lack paid vacation and sick leave.<sup>5</sup>

Each of these workers is expected to take the maximum number of paid sick days, using the additional days for prenatal care and maternity recovery. This report estimates that women who give birth or adopt a baby would use an additional 2.8 sick days to bring their total estimated days used to five.

Half of these pregnant workers are assumed to have an employed spouse or partner who would also use all of their paid sick days to accompany the woman to doctor's visits or provide care during her pregnancy and bonding with the new child.

**Table 2. Costs of Portland's "Protected Sick Time"**

Cost factor	Value	Source
Workers currently without paid leave of any kind	121,337	IWPR analysis of the 2011 American Community Survey (ACS), the 2010 National Compensation Survey (NCS), the 2010 Current Population Survey, Displaced Worker, Employee Tenure and Occupational Mobility Supplement File, and the Annual Social and Economic Supplement (ASEC) 2009-2012.
Average number of paid sick days workers will take	2.2	IWPR analysis of the National Health Interview Survey (NHIS) 2010-2011.
Average additional paid days taken by new mothers, their partners, and victims of domestic violence	2.8	IWPR analysis of the National Health Interview Survey (NHIS) 2010-2011 and the Annual Social and Economic Supplement 2009-2012.
Average hourly wage	\$17.09	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average daily work hours	7.44	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average cost of benefits, payroll taxes, and administrative costs	29 percent of wages	IWPR analysis of the National Compensation Survey (NCS) 2010 and U.S. Social Security Administration 2007
Subtotal	\$47,542,819	
Adjustment for lost productivity	(\$3,991,111)	IWPR analysis of the National Health Interview Survey (NHIS) 2010-2011; Nichol (2001).
<b>Total</b>	<b>\$43,551,708</b>	

Note: Monetary amounts are in 2012 dollars

### For domestic violence victims

Portland's "Protected Sick Time Act" would also guarantee Portland workers the ability to access services for domestic violence, sexual assault, and stalking, without the risk of losing wages or a job. While a relatively small number of Portland workers will likely need paid time off for these purposes, this job-protected paid time off could be critical to building family and individual safety and security.

For the purposes of this estimate, data were obtained from the U.S. Department of Justice Bureau of Justice Statistics (Catalano 2012). The most recent data indicate that in 2010, the rate of intimate partner victimizations among women was 3.6 victimizations per 1,000 women aged 12 years or older. From the National Intimate Partner and Sexual Violence Survey (CDC 2011) we know that only about 28 percent of victims of violence take time off from work. These figures were used to estimate the incidence of domestic violence in Portland relative to the eligible population. Each of these workers is expected to take the maximum number of paid sick days. This amounts to 2.8 additional days for covered workers.

### **3. Employer Costs of Implementing Paid Sick Days**

#### **How much do workers earn?**

Average hourly wages and average daily work hours are calculated by occupation for the Portland workforce using information for the Pacific region from the 2009–2012 ASEC (see Table 2). Sample sizes are not sufficient to limit these analyses to Portland.

#### **What other costs will employers incur?**

Employers pay certain benefits and taxes as a percent of their payroll: retirement contributions and legally mandated payroll taxes (the employer's share of Social Security and Medicare taxes, plus federal and state unemployment insurance taxes and workers' compensation).<sup>6</sup> These costs are calculated for the Pacific Census Division by occupation from the 2010 NCS (see Table 2).

Administrative expenses are estimated to be equivalent to 18 percent of wages. This is one-third the average ratio of administrative costs to benefit payments for state Temporary Disability Insurance programs (TDI) in California, New Jersey, and Rhode Island (U.S. Social Security Administration 2007). TDI is similar to paid sick days in that both relate to workers' illness-related work absence, but TDI is more complex, involving collection of payroll taxes, evaluation of medical disability, tracking of health status, and long-term benefit periods. It is likely that administration of a state-wide TDI program is more expensive than an employer's costs for adding a paid sick days policy to an existing payroll system.

#### **Will employers need to replace workers taking paid sick days?**

By definition, employers pay wages that are equal to each worker's productivity, or the value they produce for the employer. If an employer elects to hire a temporary worker to fill in for a worker using paid sick leave, there is no additional net employer expense; the presence of a replacement worker means no productivity is lost. Thus, while employers hiring replacements will pay wages to two workers, the net impact accounting for both wages and productivity will be the same as if no replacement were hired. As an illustration, assume a worker and her replacement (if any) are paid \$100 for a day's work; replacement workers generate productivity equivalent to their pay (\$100) and thus paid sick leave is only generating additional costs for one worker, not two (Table 3).

Net employer costs, either with or without a replacement worker, are accounted for in the estimate of wages and payroll taxes for workers receiving paid sick days (Table 2). Hiring of temporary workers is likely to be relatively uncommon for the short leaves possible under the proposed law. A 2010 survey of employers providing paid sick days in San Francisco found that only 8.4 percent of employers reported "always" or "frequently" hiring a replacement for a sick worker, with 23.6 percent of employers saying they "rarely" hire replacement workers (Drago and Lovell 2011).

**Table 3. Analysis of cost of replacing workers using paid sick days**

Absence/Replacement Situation	A. Wage Cost	B. Productivity	Employer's Net Cost of Absence (= A - B)
<b>Without Paid Sick Days</b>			
Absent worker not paid, not replaced	\$0	0%	\$0
Absent worker not paid, replaced	\$100	100% (= \$100)	\$0
<b>With Paid Sick Days</b>			
Absent worker paid, not replaced	\$100	0%	\$100
Absent worker paid, replaced	\$200	100% (= \$100)	\$100

### Cost adjustment: Wages currently paid to workers with low productivity

Employers pay substantial wages to employees who are unproductive because of health issues. Goetzel et al. (2004) estimate the average total annual productivity loss, per employee, for the top ten most costly health conditions at between \$217.07, using low productivity loss estimates, and \$1,566.63, using average productivity loss estimates (in 2001 dollars).

Empirical studies document that workers with influenza have worse performance on a variety of tasks than healthy workers. A study that used random assignment of experimentally induced colds and influenza found that “minor illnesses . . . have significant effects on performance efficiency” during both incubation and symptomatic periods (Smith 1989, 68). A follow-up study discovered that performance impairment continues even after clinical symptoms have ended (Smith 1990). Other research suggests that productivity during this extra time at work is only 50 percent of normal (healthy) performance (Nichol 2001). The total cost to employers of this unproductive time, in terms of wages and associated payroll taxes, is about \$4 million per year (Table 4). This reflects a cost of illness already being borne by employers.

**Table 4. Cost savings from not paying ill workers for unproductive time on the job**

Cost factor	Value	Source
Workers currently without paid leave of any kind	121,337	IWPR analysis of the 2011 American Community Survey (ACS), the 2010 National Compensation Survey (NCS), the 2010 Current Population Survey, Displaced Worker, Employee Tenure and Occupational Mobility Supplement File, and the Annual Social and Economic Supplement (ASEC) 2009-2012.
Lost productivity currently paid	0.4 days at 50 percent effectiveness	IWPR analysis of the National Health Interview Survey (NHIS) 2010-2011; Nichol (2001).
Average hourly wage	\$17.09	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average daily work hours	7.44	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average cost of benefits and payroll taxes	29 percent of wages	IWPR analysis of the National Compensation Survey (NCS) 2010 and U.S. Social Security Administration 2007
<b>Total</b>	<b>\$3,991,111</b>	

Note: Monetary amounts are in 2012 dollars

## 4. Benefits of the Proposed Paid Sick Days Policy

Ensuring that workers have paid time off from work when needed to take care of their own health needs or those of members of their families is likely to lead to improved health outcomes for workers and their families (Lovell 2004). Better health outcomes will reduce health care expenditures and improve the quality of life.

While there is solid theoretical work suggesting the nature of these benefits, in some cases there are no specific empirical data for valuing a benefit. This report presents an estimate of several benefits of paid sick days and discusses other likely benefits. Future research may provide measures of these benefits that can be added to those analyzed here.

### Reduced voluntary job turnover

What we can estimate: Having paid sick days reduces voluntary job mobility by three to six percentage points (the effect varies by sex and marital status; Cooper and Monheit 1993). Because workers value paid sick days, when they have that benefit, they are less likely to look for a different job. Workers who experience a health care crisis are also more likely to return to their employer if they have a paid leave policy— more than twice as likely in the case of women with heart disease (Earle, Ayanian, and Heymann 2006).

If all Portland employers provide paid sick days, this effect on voluntary turnover may be reduced since workers considering a job change will have paid sick days both at their current job and at their potential new job. However, having paid sick days in a current job may increase worker loyalty to the current employer or reduce work/life conflict, even if the same benefit were offered by any other employer. Since changing jobs is somewhat costly and risky for workers, even a universal paid sick days policy is likely to strengthen the attachment between workers and their current employers.

**Table 5. Cost savings from reduced turnover**

Cost factor	Value	Source
Workers currently without paid leave of any kind	121,337	IWPR analysis of the 2011 American Community Survey (ACS), the 2010 National Compensation Survey (NCS), the 2010 Current Population Survey, Displaced Worker, Employee Tenure and Occupational Mobility Supplement File, and the Annual Social and Economic Supplement (ASEC) 2009-2012.
Reduction in voluntary turnover	5.3 percent	
Cost of turnover	20 percent of annual compensation	IWPR calculation of weighted average from Cooper and Monheit (1993), based on Lovell (2005).
Average hourly wage	\$17.09	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average daily work hours	7.44	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average cost of benefits and payroll taxes	29 percent of wages	IWPR analysis of the National Compensation Survey (NCS) 2010 and U.S. Social Security Administration 2007
<b>Total</b>	<b>\$54,555,449</b>	

Note: Monetary amounts are in 2012 dollars

There are other impacts of paid sick days provision that cannot be measured; having earned sick days also affects involuntary turnover, by protecting workers from being fired for unauthorized work absences when they are sick or must care for sick family members (Heymann 2000; Earle and Heymann 2002). Seven percent of women's job separations are responses to health issues and another 15 percent are in response to concern to other family or personal reasons (Emsellem, Allen, and Shaw 1999). We lack data for accurately estimating the savings related to lowered involuntary turnover that would flow from the paid sick days proposal, although a recent national survey found that 16 percent of workers have lost a job for missing work when sick or to care for an ill family member (Smith and Kim 2010). Any overestimation in savings from voluntary turnover in this analysis will most likely be more than offset by savings in employer expenses from reduced involuntary turnover.

Reduced turnover, either voluntary or involuntary, is expensive for employers. Turnover entails a variety of costs for employers of which actual outlays to recruit a new worker are only a small portion. Low productivity of new hires, drains on the productivity of the new worker's colleagues and supervisors, added work in human resources for processing employee exit and entry, training, and lost productivity during vacancies are also real costs to employers (Phillips 1990).

Careful analyses of the range of impacts associated with turnover provide evidence regarding the true costs to employers. Phillips (1990) reports that replacing a mid-level manager costs 1.5 times the worker's annual salary. A study of the costs of replacing front-desk associates at two hotels in New York found total turnover costs of 28 percent and 31 percent of annual compensation (Hinkin and Tracey 2000).

A widely cited rubric for calculating turnover costs places them at 25 percent of total annual compensation (Employment Policy Foundation 2002). A more conservative figure of 20 percent is used in this analysis.

## **Reduced spread of the flu within workplaces; reduced overall absence and improved productivity**

Employers are increasingly aware of the cost of the spread of disease within workplaces when employees practice presenteeism or go to work while ill. Two of every five employers identify presenteeism as a problem for their organization (CCH Incorporated 2004a). One study notes that presenteeism can lead to “the spread of illness for an even greater reduction in productivity” than would be caused by an individual worker’s absence to take time off (ComPsych 2004). Firms with low employee morale are more likely to experience presenteeism than those with higher morale (CCH Incorporated 2004b).

Empirical research has documented the widely-suspected link between presenteeism and contagion within workplaces. Li, Birkhead, Strogatz, and Coles (1996) find lower rates of respiratory and gastrointestinal infection among nursing home residents when nurses have paid sick days, demonstrating that the spread of disease is diminished (at least in workplaces involving intimate physical contact) when ill workers can stay home. Potter et al. (1997) report reduced disease and mortality among patients in long-term care hospitals when health care workers are vaccinated against influenza.

Because influenza (the flu) is highly contagious and accounts for 10 to 12 percent of all illness-related employment absences—about the same portion as musculoskeletal disorders (Keech, Scott, and Ryan 1998)—the impact of paid sick days on transmission of the flu virus is likely to be the largest consequence of increased paid leave on the spread of disease in the workplace.

Longini, Koopman, Haber, and Cotsonis (1988) estimate the probability of an individual contracting influenza from community contacts at 16.4 percent and from an infected household member at 26.0 percent. Islam, O’Shaughnessy, and Smith (1996) calculate the probability of an individual catching an infection from community contacts during a flu epidemic at 0.168;<sup>7</sup> intra-household disease transmission probabilities per cohabitant are a bit higher (mean of 0.177). These transmission rates suggest that a sick worker who is in the workplace while contagious is likely to infect 1.8 of every ten co-workers. By a low estimate, five percent of healthy working adults will get the flu in a given flu season (Nichol 2001). Studies find that workers with the flu miss one to five days of work (Nichol 2001). Half of employees out sick with the flu are attended by a caregiver, with an average work-loss of 0.4 days per caregiver (Keech, Scott, and Ryan 1998).

Workers with the flu also incur costs for doctor visits (with 45 percent seeking medical care; Nichol 2001), hospitalizations (occurring at a rate of four hospitalizations per 10,000 flu cases; Nichol 2001), and purchase of prescription and non-prescription medications and other treatments (Kavet 1977). In addition, the flu kills one in every 100,000 infected individuals (Nichol 2001). These factors are combined with workforce data to estimate savings under Portland’s paid sick days law from reduced spread of the flu in workplaces (Table 6).

## **Reduced expenditures for treating victims of norovirus outbreaks in nursing homes**

Paid sick days that allow ill workers to stay home can have important public health impacts by limiting the spread of contagious diseases. Data are not yet available to measure most of this benefit of paid sick days. One that can be calculated is the cost of health care for nursing home residents and staff who contract norovirus. The estimates of those costs for Portland are described in Table 7.

Detailed data are not available to estimate savings from other contagious diseases (see text box), although they are undoubtedly significant.

## The Cost of Other Contagious Diseases

The flu and norovirus are the only contagious diseases for which accurate data could be located on transmission rates, work absence, and treatment costs. Comprehensive accounting for the spread of all relatively common contagious diseases—including colds, mononucleosis, hepatitis, strep throat, and conjunctivitis (pink eye)—would certainly yield much higher costs. In addition, costs related to work absence and health care use that result from the spread of disease in child-care or school settings when parents cannot keep their sick children home are not calculated here.

**Table 6. Cost savings from reduced spread of the flu within workplaces**

Cost factor	Value	Source
Workers currently without paid leave of any kind	121,337 workers	IWPR analysis of the 2011 American Community Survey (ACS), the 2010 National Compensation Survey (NCS), the 2010 Current Population Survey, Displaced Worker, Employee Tenure and Occupational Mobility Supplement File, and the Annual Social and Economic Supplement (ASEC) 2009-2012.
Influenza illness rate	5 percent	Nichol (2001), Table 6.
Contagion rate (i.e., each co-worker's chance of contracting the flu)	18 percent	Islam, O'Shaughnessy, and Smith (1996).
Assumed number of close daily work contacts	5 co-workers	Islam, O'Shaughnessy, and Smith (1996).
Number of missed workdays per infected co-worker	2 days	Nichol (2001).
Number of missed workdays for employed caregivers of ill workers	An average of 0.4 lost workdays per caregiver	Keech, Scott, and Ryan (1998).
Lost productivity for infected co-workers on return to work	0.5 days at 50 percent productivity	Nichol (2001).
Average hourly wage	\$17.09	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
Average daily work hours	7.44 hours per week	IWPR analysis of the Annual Social and Economic Supplement 2009-2012
<b>Employers' savings</b>	<b>\$2,200,100</b>	
Doctor visits for 45 percent of ill workers	Average cost of \$44	Nichol (2001); American Medical Association (2013)
Prescription drugs for 42 percent of ill workers	Average cost of \$112	Kavet (1977), Kaiser Family Foundation (2013)
<b>Workers' savings</b>	<b>\$366,341</b>	
<b>Total savings</b>	<b>\$2,566,442</b>	

Note: Monetary amounts are in 2012 dollars

**Table 7. Cost savings from reduced norovirus outbreaks in nursing homes**

Cost factor	Value	Source
Nursing homes that experienced norovirus outbreaks in Portland in the last 12 months	120 nursing homes	Oregon Public Health Division (2013)
Relative risk of experiencing an outbreak between homes with paid sick days and homes without paid sick days	38 percent	Li et al. (1996).
Share of nursing home workers with access to paid sick days (nationally)	73 percent	IWPR analysis of the March 2006 National Compensation Survey.
Number of outbreaks that would be avoided if all nursing home workers had paid sick days	37 outbreaks	IWPR calculation based on Li et al (1996).
Number of residents in nursing homes without paid sick days exposed	2,020 residents	Estimated from data from the Kaiser Family Foundation's State Health Facts (2010).
Average Nurse Hours per Resident Day in All Certified Nursing Facilities	4.40 nursing hours per resident day	Estimated from data from the Kaiser Family Foundation's State Health Facts (2010).
Attack rate for norovirus	30 percent	California Department of Public Health; Morbidity and Mortality Weekly Report (2007).
Excess number of staff and residents in nursing homes without paid sick days exposed	8,888 staff and residents	Based on methodology developed by Korey Capozza and David Graham-Squire for Valuing the Good Health in California: The Costs and Benefits of the Healthy Families, Healthy Workplaces Act of 2008 (2008).
Percent of norovirus victims who will require hospitalization	10 percent	Calderon-Margalit et al. (2005).
Cost of treatment	\$220	American Association of Pediatrics; CeraLyte (oral rehydration); Xiao et al. (2004); American Medical Association 2013; Kaiser Family Foundation 2010 and Mayo Medical Laboratories (2012).
<b>Total</b>	<b>\$1,026,679</b>	

Note: Monetary amounts are in 2012 dollars

## Reduced expenditures for short-term nursing home stays

Workers with the flexibility to provide informal care for elderly, disabled, and medically fragile relatives may be able to reduce expenditures for health care, including paid care at home or in nursing homes that might otherwise be financed by Medicaid or Medicare. Certainly, individuals consider the level of informal care available to them in decisions about purchasing formal care. When adult children increase their hours of informal care for their single parents, the likelihood of purchasing home health care and nursing home services decreases, and lengths of stays in nursing homes and hospitals are reduced (Van Houtven and Norton 2004). Because informal care may increase elders' ability to navigate the health care system, informal care increases hospital stays, outpatient surgery, and physician visits. A 10-percent increase in the number of hours of informal care provided to individuals aged 70 and older reduces the probability of entering a nursing home by 0.77 percentage points, from 8.60 to 7.83 (Van Houtven and Norton 2004). Elderly patients discharged from acute care wards will return home at higher rates if they have children, rather than moving to a lower-level care facility of the hospital (McClaran, Berglas, and Franco 1996). Unmarried and childless individuals are more likely to enter nursing homes than others (Freedman 1993), as they less often have an informal caregiver to help them return home.

With nearly 29.8 million full-time workers providing care to adults aged 50 and older (IWPR calculation from National Alliance for Caregiving and AARP 2009), nearly 1.4 million nursing facility patients at any one time (Kaiser Family Foundation 2010.), and average daily costs of roughly \$290 (Metlife Mature Market Institute 2013), savings to families and taxpayers from reduced nursing home use could be substantial. An even larger number of elderly individuals receive paid care at home (Lo Sasso and Johnson 2002). This group may be particularly affected by their adult children's work hour flexibility—having a child who can respond to medical crises may mean the difference between staying at home and transitioning to assisted living or nursing home facilities. Preventing short-term nursing home care of medically frail individuals saves money for families and taxpayers and leads to better health outcomes for the individuals themselves. Recognizing this, the government has stated that “preventing premature institutionalization is a major public health goal” (Sahyoun et al. 2001). Savings from reduced short-term nursing home stays are estimated in Table 8.

**Table 8. Cost savings from reduced short-term nursing home stays**

Cost factor	Value	Source
Caregivers of adults aged 50 and older in Portland	25,404	IWPR estimations based on the National Alliance for Caregiving and American Association of Retired Persons 2009, Figure 1, and IWPR analysis of the American Community Survey (ACS) 2010.
Average number of caregivers per care recipient	2	IWPR calculation based on Kramarow et al. (1999).
Percent of private workers with no paid leave	32%	IWPR analysis of the American Community Survey (ACS) 2011, National Compensation Survey (NCS) 2010, Current Population Survey, Displaced Worker, Employee Tenure and Occupational Mobility Supplement File 2010 and the Annual Social and Economic Supplement (ASEC) 2009-2012.
Estimated length of nursing home stay averted with paid sick days	1 day per care recipient	IWPR's calculation based on Kramarow et al. (1999).
Average cost of one day of nursing home stay, semi-private room	\$290	Metlife Mature Market Institute (2013).
<b>Total</b>	<b>\$1,021,214</b>	

Note: Monetary amounts are in 2012 dollars

## Health care savings resulting from reduced use of hospital emergency departments

Paid sick days allow workers to take time away from work for medical appointments, rather than waiting until after their work hours, at which point they might opt to utilize hospital emergency services instead. Analysis of data from the NHIS has shown that workers with paid sick days are less likely than workers without paid sick days to utilize hospital emergency departments, even after accounting for variables such as age, income, education, and health insurance access. It is estimated that a lack of paid sick days contributes to 1.3 million preventable emergency department visits each year nationally. These visits are more expensive than a visit to a primary care physician for the same condition, and thus if these preventable emergency department visits were replaced by primary care visits, health care costs would be decreased by over \$1.1 billion per year nationally, of which over \$500 million is currently paid by public insurance programs such as Medicaid (Miller, Williams, and Yi 2011).

It has been estimated that in Portland, universal access to paid sick days would prevent about 18,300 emergency department visits per year. These prevented visits would result in a health care cost reduction of about \$15.6 million annually (Table 9).<sup>8</sup> These potential cost savings would be shared by hospitals, physicians, patients, private insurers, and public health insurance programs such as Medicaid and the State Children's Health Insurance Program (SCHIP). Analyses of data on those receiving public health insurance reveal that a savings of \$6.1 million is predicted for public health insurance programs—and taxpayers—as a result of making paid sick days universally accessible in Portland (Table 9).<sup>9</sup>

**Table 9. Cost Savings from reduced Emergency Department Visits**

Cost factor	Value	Source
Preventable ED Costs	\$852	Medical Expenditure Panel Survey (2008)
Overall number of preventable ED visits with Paid Sick Days	18,253	IWPR analysis of 2011–2010 National Health Interview Survey (NHIS) data.
Overall cost premium for ED visits	\$15,551,474	IWPR analysis of 2011–2010 National Health Interview Survey data (NHIS), 2010 National Compensation Survey (NCS), and the 2008 Medical Expenditure Panel Survey (MEPS).
Number of preventable ED visits with Paid Sick Days for those using public health insurance	7,128	IWPR analysis of 2011–2010 National Health Interview Survey (NHIS) data.
Cost premium for ED visits for those using public health insurance	\$6,073,333	IWPR analysis of 2011–2010 National Health Interview Survey data (NHIS), 2010 National Compensation Survey (NCS), and the 2008 Medical Expenditure Panel Survey (MEPS).

Note: Monetary amounts are in 2012 dollars

### Other benefits to measure when data needed become available

While data are currently lacking to calculate the economic impact of all the consequences of workers not having adequate paid sick days, it is certain that there are many other consequences, in addition to those discussed above, that impose costs on workers, their families, employers, taxpayers, and society as a whole. Eliminating these costs through provision of paid sick days would thus confer benefits on society. They include the following:

#### Additional effects of presenteeism on employers and workers

Health care expenditures for workers who are sick longer because they are unable to recuperate at home, resulting in extra expenditures for workers and firms:

Without adequate time to regain health, minor medical problems may be exacerbated (Grinyer and Singleton 2000), eventually requiring longer work absence and/or increased treatment costs.

Cost to employers of scheduling uncertainties:

For example, costs resulting from workers calling in sick at the start of their shifts when they knew the previous day they would have to stay home with a sick child.

Improved morale and resultant productivity:

Enhanced worker loyalty and job satisfaction related to having adequate paid time off may translate into gains for employers through improved customer relations. In addition, “if ill health results in more accidents or increased errors, all who explicitly or even implicitly interact with unhealthy employees can become less productive” (Greenberg, Finkelstein, and Berndt 1995, 36).

### **Health and health care utilization impacts on family members when workers cannot provide care**

Keeping children at home with contagious diseases like the flu can prevent illness and work absences among their schoolmates and schoolmates’ parents. Because “children are more susceptible to influenza, carry and spread the influenza virus over a longer period of time than adults, and are often the first to get the infection in the community” (King 2004), preventing children from being disease vectors in school and child-care settings can significantly reduce workplace absence and productivity effects among adults.

Children have better short- and long-term health outcomes when they are cared for by their parents (Palmer 1993) and hospital stays are shorter when parents are involved in care (Kristensson-Hallstrom, Elander, and Malmfors 1997). With increased flexibility in attending to sick children, paid sick days are likely to reduce treatment costs and overall length of illness.

Heart attack survivors who perceive that they receive adequate tangible social support tend to have lower mortality rates and better overall health outcomes than those perceiving inadequate levels of tangible social support (Woloshin et al. 1997). Being married or having children (even if not living nearby) reduces the length of hospital stays for elderly patients in acute care wards (McClaran, Berglas, and Franco 1996). Stroke victims have better functional and social outcomes when they receive high levels of family social support, and are more likely to receive nursing home care if they have low levels of support (Tsouna-Hadjis et al. 2000). Workers with the flexibility provided by paid sick days may be able to positively affect the health status of their relatives with coronary disease and other chronic medical conditions by providing more timely care.

### **Other effects on families when workers cannot take time needed to provide care**

When parents cannot stay home to care for sick children, older siblings may be kept out of school to care for their younger siblings (Dodson and Dickert 2004). These school absences may affect school performance and have long-range impacts on the older children’s education and work productivity.

Informal caregivers whose work schedules are incompatible with the care needs of their relatives may decrease their work hours or even leave the labor force completely (Stone and Short 1990). Paid sick days may provide sufficient leave to many caregivers to allow them to maintain their desired level of employment while continuing to perform their caregiving work as well.

- **Lost wages:** Workers would not be suspended or fired for missing work without authorization when they are sick or a family member needs care (Browne and Kennelly 1999; Dodson, Manuel, and Bravo 2002). **Reduced expenditures on public assistance:** Workers who lose their jobs due to having inadequate paid sick days would be less reliant on public assistance. For instance, 8.7 percent of workers who take an FMLA-type (Family and Medical Leave Act) leave and do not receive their full wages during the leave turn to public assistance for support (Cantor et al. 2001).

- Increased financial stability and economic well-being of families: When incomes are not interrupted by unpaid leave, families experience greater financial stability and economic well-being.
- The value of workers and their family members feeling better: Better health improves the quality of life for workers and their families.

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**For more information on IWPR reports or membership, please call (202) 785-5100, email [iwpr@iwpr.org](mailto:iwpr@iwpr.org), or visit [www.iwpr.org](http://www.iwpr.org).**

The Institute for Women's Policy Research conducts rigorous research and disseminates its findings to address the needs of women, promote public dialogue, and strengthen families, communities, and societies. The Institute works with policymakers, scholars, and public interest groups around the country to design, execute, and disseminate research that illuminates economics and social policy issues affecting women and families, and to build a network of individuals and organizations that conduct and use women-oriented policy research. IWPR, an independent, non-profit, research organization also works in affiliation with the graduate programs in public policy and women's studies at The George Washington University.

<sup>1</sup> It can be difficult to inform workers of changes in their employment benefits. For instance, three years after California's new paid family leave program went into effect, only a quarter of workers knew about their new right to take paid leave (Milkman 2008), despite the requirement that employers notify their employees of their right to paid family leave.

<sup>2</sup> While it is the clear intent of the paid sick days law that workers have a separate benefit of paid sick days, in addition to any other paid leave they have, as drafted the law would accept a paid time off leave program that could be used for illness as meeting the requirements of the law. This estimate assumes that employers that currently offer paid vacation leave, but no paid sick days, would convert their vacation leave into a general paid time off program covering both vacation and sick leave and, thus, workers in such firms would not receive additional paid time off

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under the law. They would, however, receive important protections against dismissal or other penalties for using their statutorily mandated paid sick days.

<sup>3</sup> State-level data and below are not available from the National Health Interview Survey.

<sup>4</sup> This estimate of the time involved in visiting the doctor is very conservative, in order to allow for some workers who may seek treatment at times when they are not scheduled to work. With travel and waiting time, a doctor visit could easily take two to four hours.

<sup>5</sup> IWPR analysis from the 2009–2012 Annual Social and Economic Supplement of the Current Population Survey (ASEC) and 2010 National Compensation Survey.

<sup>6</sup> Other employer-provided benefits such as health insurance and paid holidays are typically cost as a monthly premium or annual allotment. A worker who is granted leave with pay would not cost an employer any more for these benefits than would a worker taking time off without pay.

<sup>7</sup> This is the mean of six rates derived from data on three disease outbreaks.

<sup>8</sup> Cost savings reported in 2012 dollars.

<sup>9</sup> Cost savings reported in 2012 dollars.



March 7, 2013

Mayor Hales and Members of the City Council,

I want to start today by talking about the laws recommended by the Factory Investigating Committee of New York after the tragic Triangle Waist Company fire in 1911 in New York City. One hundred and forty-six workers – mostly teenage girls – perished after the fire broke out on the 8<sup>th</sup> and 9<sup>th</sup> floors of the building. Many were locked in, with no way to escape.

Among others, the recommended and enacted laws required that factories install automatic sprinklers, keep factory doors unlocked during work hours, install fire escapes, give employees access to toilets and clean drinking water, reduce the work load for women to no more than 54 hours a week and 9 hours a day, and ban children under 18 from work that could injure their health and well-being.

The Triangle Factory laws established health and safety standards to protect workers, and became standards across the country – as passage of an earned sick time ordinance in Portland would do today. Those laws – passed about 100 years ago – were met with similar opposition from some members of the business community as earned sick time, and with many of the same arguments.

In 1914 the Real Estate Owner's Association of New York City adopted a resolution that said: *"We are of the opinion that if the present recommendations are insisted upon...factories will be driven from the city, labor will be compelled to accompany them, factories, tenements, and small houses will become tenantless with the final result of demoralization in tax collections by the city."*

In 1913 a representative from the New York Flour Club said: *"We would consider it a grave injustice to ourselves as well as to the bakers and the public at large if the bakers in our city were unfairly discriminated against in their struggle for existence either by conditions such as they could not reasonably hope to contend against, or by making it possible for bakers of other localities to determine their business here in their home market by more favorable terms."*

The arguments against needed labor and workplace standards are always the same: costs will rise, benefits will be cut, businesses will flee the city/state, the government is over-reaching, it harms small business or new businesses, too much bureaucracy, and the list goes on and on. These arguments were made around factory safety standards, child labor, the establishment of the minimum wage – and during every major debate about working conditions that this country has ever seen. Despite this, the market continues to operate, many businesses continue to flourish, and employers continue to adapt to new standards in remarkably efficient ways.

As Martin Luther King Jr. once said, "the arc of the moral universe is long, but it bends toward justice." This has been true in the fight for civil rights and for labor rights. There will always be



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CHANGE IS POSSIBLE. CHANGE IS HAPPENING.

those who will push back against change, as there will always be those who embrace it – who work toward justice.

The ordinance before you today is not only about an employers' bottom line, though it doesn't discount the importance of it either. It is about multiple bottom lines, those of workers struggling to make ends meet and those of employers who are doing the right thing in a "free market" that discourages it. It is about the community's bottom line when disease spreads or health care costs increase. It is about public health, and social justice, and equity.

The process that got us to today has been a long and inclusive one. We began conversations about this issue with community members and the City Council a year ago. Over the past year we have had tens of thousands of conversations with citizens, business owners, affected workers, advocates, parents, teachers, and many others. We have engaged in multiple tables and policy discussions, forums and town halls. I was glad to participate in the recent task force reviewing this concept that was established and led by Commissioners Fritz and Saltzman. And while I have to admit that I was suspicious about how that task force would improve the product before you today, I have to admit that it did. Commissioners Fritz and Saltzman led the process with great skill and the product before you today is better for it.

The suggestions offered by employers during this process helped to make the language clearer and the definitions more intentional. I would have preferred to see all workers covered with paid sick time and to have a shorter waiting period before accrued time could be used, but I understand why these compromises were made. I am happy with the amendments offered today, as I had significant concerns about the Certificate of Compliance that have now been resolved.

I'm also happy to submit for your review a cost-benefit analysis conducted by the Institute for Women's Policy Research that looks at this specific Portland policy and estimates that, based on utilization of sick time estimated through use of the National Health Interview Survey, adding the sick time required by this act will increase employer costs by 19-cents per hour for employees receiving new leave (or \$6.90 per week). However, those costs will be off-set by a 24-cent per hour (or \$9.00 per week) reduction in costs related to the current loss of productivity and increased spread of disease that results from "presenteeism", for an overall net savings. Additionally, this report estimates nearly \$18 million in community savings that we can anticipate from the reduced spread of disease, reduced urgent care and emergency room visits and nursing home stays. That report is public today and available for review.

Thank you for your ongoing and thorough consideration of this ordinance. I urge you to pass this version of the ordinance next week.

Andrea Paluso, Executive Director  
Family Forward Oregon & Family Forward Education Fund

P.O. Box 15146 Portland, OR 97293 | (503) 928-6789 | [www.familyforwardoregon.org](http://www.familyforwardoregon.org)

**Testimony from Tony Fuentes, 6504 NE 22<sup>nd</sup> Avenue, Portland, Oregon 97211**

I am here representing my business, Milagros, as well as the VOIS Business Alliance.

Milagros is a local baby boutique, we have been in business for 9 years and currently have 7 employees. We offer earned time off to all of our staff - hourly & salary, full time and part time.

VOIS Business Alliance represents more than 200 local businesses and professionals dedicated to the triple bottom line of profit, planet, and people. Margins & mission are both important to VOIS.

Thank you for your leadership on this issue and welcome your support of the proposed earned sick time ordinance.

Your leadership is critical to ensure that our workers and work places are healthy and that public health is effectively protected in our community. This year's flu season underscores the need to provide people with the opportunity to stay home and heal.

Your leadership is critical to ensure that the 80 percent of low income workers in Portland who do not receive a single minute of sick leave are able to care for themselves and their families during times of illness without fear. The working poor should not also be the working while sick poor.

And your leadership is needed to ensure that a basic standard in support healthy workers and healthy workplaces has an opportunity to spread to the entire state of Oregon.

As was made clear by legislators at the last hearing on this issue, action by Portland is needed to ensure that a statewide solution moves forward.

The business community is divided on this issue. There is no way around that.

As a business that provides this benefit, I can tell you that this is not a business killer, or a job killer, or some other rhetorical monster.

It is no surprise to me that when San Francisco passed earned sick time in 2007 that the Golden Gate Restaurant Association was adamantly opposed.

And because of my own experience as an employer, I am also not surprised that after implementation of earned sick time in that City, the restaurant association's executive director said that the nightmare fantasies they presented of organized sickouts and staffers splitting "to go see the Giants play on a Friday" remained fantasies. And that in his opinion, earned sick time is "the best public policy for the least cost".

And as Portland moves forward, this least cost proposal should support all workers and workplaces. Too much is lost and too little is gained from carving out any further special exemptions for workplaces than is already in the proposal.

On that note, I want to thank Commissioner Fritz and Commissioner Saltzman for their effective facilitation of the task force that reviewed the initial version of ordinance. I also thank all the task force members who volunteered their time, energy and expertise over the past month.

You have a better ordinance in front of you. And what needs to be codified to ensure an effective workplace standard is there.

But I know I'm not done.

And I know I'm not alone in stating my commitment to supporting the administrative rule making process and ensuring that the City is effective and efficient in its mission of supporting Portland's workers and workplaces.

On a final note, as someone who has worked on this issue on the state and federal level, I wish we could wait for leadership to trickle down from above. But we can't and we shouldn't. Instead we need to lead the way .

Your action is needed right now to help support the people of our community today.

Thank you.

The **MAIN STREET**  
Alliance of Oregon

a big vision for small business

March 7, 2013

Testimony to Portland City Council

Mayor Hales and Portland City Commissioners,

My name is Lee Mercer, director of Main Street Alliance of Oregon. Our offices are at 126 NE Alberta, Portland. We have 1200 business owners in our network statewide, about 300 in Portland. We are in support of the Portland paid sick leave ordinance.

A few weeks ago, at Commissioner Fritz's request, we e-mailed a poll to about 300 Portland small business owners on our roster to get a sense for, among businesses that offer sick leave, the average number of employees covered, the average number of days offered and the average numbers of days taken.

As long as we were doing the poll, we also decided to ask about support for or opposition to the paid sick leave policy.

- The majority of those who responded, 58%, support the Portland ordinance, 33% oppose and 9% were undecided.
- A larger majority, 65%, would support a statewide sick leave policy, with 28% opposed and 7% undecided.
- Among the sampling, 65% offered paid sick leave or PTO and 35% did not.
- Average number of employees in businesses sampled was 15.
- Average days of paid sick leave or PTO offered was 9 days.
- Average number of days actually taken by employees was 5.

This seems to roughly equate with the experience in San Francisco where the average worker takes a little over half of sick time offered.

We also collected a number of comments and suggestion on improving the policy, some of which are included in the summary submitted with my testimony.

It is clear that among the sampling of businesses polled by Main Street Alliance, a majority support an employment standard on paid sick leave.

In a final point we wanted to express concern about one change made in the revised draft of the ordinance coming out of the task force process. This version now exempts a whole class of employees from the benefit of paid sick leave- straight commission workers.

One of the strengths of the Portland ordinance in its original language was that it provided the benefits of sick leave to all workers in Portland. Now one group has been targeted to lose this benefit.

My wife, who runs a boarding and pet grooming business, offers paid time-off to all her employees. The pet groomers, who work on straight commission, have their incomes averaged and time-off calculated based on that. To her it didn't seem fair that one group of her employees would lose the benefits that all the others enjoy. We encourage the council to reconsider this take-away of sick leave coverage from straight commission workers.

**Thanks again for your efforts on this groundbreaking effort to improve basic employment standards and the public health and well being of the citizens of Portland by creating a paid sick leave ordinance.**

Thank you.

Lee Mercer  
Main Street Alliance of Oregon

**PAID SICK LEAVE IN PORTLAND: A STRAW POLL OF  
LOCAL, INDEPENDENT SMALL BUSINESSES**  
*Main Street Alliance of Oregon – March, 2013*

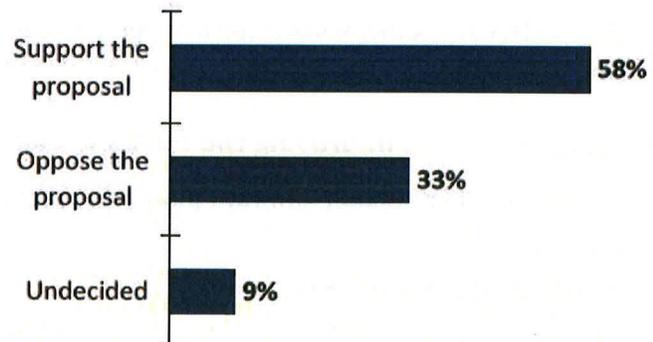
***Portland Business Owners' Views on Paid Sick Leave***

- Majority of business owners surveyed support Portland and statewide paid sick leave.
- 65% of respondents provide paid sick leave or paid time-off (PTO), 35% do not.
- Average sick or PTO days offered- 9 days, average time taken- 5 days.

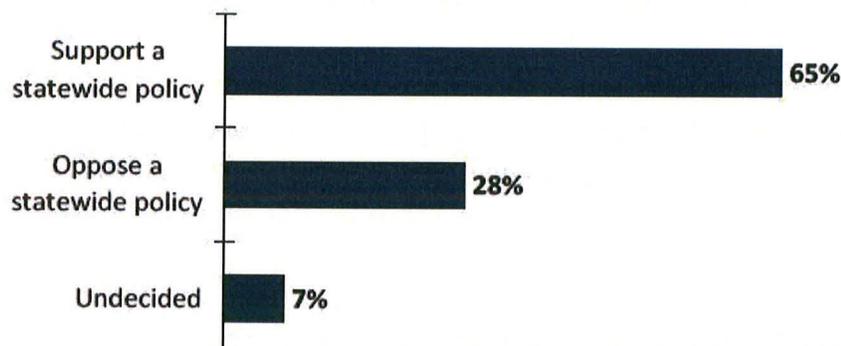
The *Portland Paid Sick Leave Small Business Straw Poll* is a "snapshot" brief based on a Main Street Alliance of Oregon survey distributed by e-mail to 300 Portland businesses in February, 2013. Most businesses receiving the survey were originally randomly canvassed in door-to-door outreach by the Main Street Alliance of Oregon. Results reported here are based on responses from 42 businesses. This brief is intended to provide a snapshot of interested Portland small business owners' views on paid sick leave; it is not a scientific survey.

The majority of respondents support the proposed Portland paid sick leave policy: 58 percent of respondents said they support the draft ordinance on paid sick leave in Portland. 33% opposed the policy and 9% were undecided.

**PORTLAND SMALL BUSINESS STRAW POLL:  
SMALL BUSINESS OWNERS' VIEWS ON PORTLAND EARNED  
SICK LEAVE PROPOSAL**



**PORTLAND SMALL BUSINESS STRAW POLL:  
SMALL BUSINESS OWNERS' VIEWS ON A STATEWIDE  
POLICY ON EARNED SICK LEAVE**



A strong majority of Portland business owners also support a statewide policy on paid sick leave: 65 percent of those surveyed would support a statewide policy on earned sick leave. 28% would oppose and 7% were undecided.

## Portland businesses reported on their current paid sick leave or PTO (paid time off) policies:

When asked, "Do you currently offer earned sick leave or paid time-off to your employees": 65% responded "Yes" and 35% responded "No."

### PORTLAND SMALL BUSINESS STRAW POLL: DO RESPONDING BUSINESS OWNERS CURRENTLY OFFER EARNED SICK LEAVE OR OTHER PAID TIME OFF?



## Amount of paid sick time or paid time-off offered and taken:

- Average number of employees per business in sampling: 15 employees
- If you offer sick time, how many days can be accrued annually? 9 days of sick days or PTO
- If you offer sick time, what is the average number of days your employees take annually? 5 days of sick days or PTO

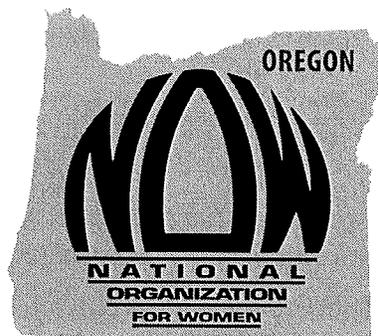
## Sample suggestions for improving the Portland earned sick leave policy:

- Differentiation between different industries, and different size businesses, beyond more or less than 6.
- More days for larger employers.
- 1 hr sick leave accrued for every 40 hrs worked instead of 30.
- Make it statewide.
- I suggest the sick days don't accumulate until 90 days are completed.

## Samples of "Other thoughts or concerns on the issue of earned sick leave":

- This proposal is an important improvement for workers and doesn't hurt employers.
- It's really the right thing to do.
- That it be statewide, not Portland only.
- I would expect this kind of ordinance to greatly improve the overall productivity of our city.
- No concerns other than I feel we are late in taking a leadership role on an issue in Oregon and nationally.
- "Protected" earned sick time is a good concept.

For more information on this survey, contact [lee@mainstreetalliance.org](mailto:lee@mainstreetalliance.org)



March 7, 2013

Dear Mayor Hales and Commissioners Fish, Fritz, Novick and Saltzman,

I am pleased to submit written testimony as President of the Oregon chapter of the National Organization for Women (NOW). I regret that I am not available to deliver it in person during today's public hearing.

The National Organization for Women's (NOW) Oregon chapter supports the City of Portland's proposed earned sick time policy and urges the Portland City Council to pass it as soon as possible. The women of Portland, and their families, can't afford to wait.

Every day, millions of workers in the United States are forced to jeopardize their wages and their jobs when they become sick or need to care for a sick child or loved one. For women, the inability to earn paid sick days can have particularly devastating consequences. And until Portland has a citywide paid sick time policy, it is no different. Oregon NOW hopes that what starts in Portland will spur a statewide policy to better support women all across Oregon.

I believe that women experience better health and economic security when their workplaces make it possible for them to care for their own and their family's standard health needs without losing needed income, advancement opportunities, or even their job.

Right now without a paid sick days law, too many women can't access the time they need to care for themselves and their families. We all get sick – kids notoriously – but not all of us have the time it takes to recover from the routine illnesses that strike us all periodically. This is an equity issue: being able to stay home with a sick child or care for your own health concern in a timely way should not be a privilege like it is today. With this policy, Portland is taking a big step forward that will benefit the entire community – and hopefully inspire our state legislators to take the same step very soon.

Here are some important statistics that show the importance of earning paid sick days are to women:<sup>1</sup>

- Forty-three percent of women working in the private sector are not able to take a single paid sick day when they are ill.

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<sup>1</sup> Data compiled by the National Partnership for Women & Families, October 2012.

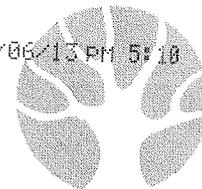
- More than half of working mothers (54 percent) do not have even a few paid sick days they can use to care for their sick children.
- More than half of Latina workers (54 percent) and more than four in ten African American women who work (42 percent) are not able to earn paid sick days.
- Forty-two percent of women have had the experience of being unable to take time off of work to care for a child; 27 percent were unable to take time off to care for a parent.
- One in five women with children (20 percent) report that they or a family member have been fired or disciplined by an employer for taking time off to cope with an illness or to care for a sick child or family member.
- For the typical family without paid sick days, just 3.5 sick days without pay is equivalent to losing an entire month of groceries
- For single-parent families, which are usually headed by women the consequences are even more dire.

In closing, I want to thank you for addressing this community problem and finding a solution that will benefit so many Portlanders in the very near future. It's exactly the kind of progress on social justice issues that we should be making.

Sincerely,

Kristin Teigen, President  
National Organization for Women – Oregon Chapter

**About NOW:** The National Organization for Women (NOW) is the largest organization of feminist activists in the United States. NOW has 500,000 contributing members and 550 chapters in all 50 states and the District of Columbia.



**UPSTREAM  
PUBLIC HEALTH**

**To:** Honorable Mayor Charlie Hales, Commissioner Nick Fish, Commissioner Amanda Fritz, Commissioner Steve Novick, and Commissioner Dan Saltzman  
**From:** Tia Henderson, PhD, Research Manager, Upstream Public Health  
**Date:** March 5, 2013  
**Re:** Paid Sick Time for Health

Good afternoon, my name is Dr. Tia Henderson, the Research Manager at Upstream Public Health, a statewide nonprofit focused on improving the health of all Oregonians through sound policy. Thank you for this opportunity to testify today. I want to commend Commissioners Fritz and Saltzman for having convened numerous stakeholders to give input on this important piece of legislation. As a Portland resident, I appreciate the government taking this proactive role in looking after community wellbeing. My role here today is to describe some of the relationships this proposal has to health.

Paid Sick Time helps protect the common good: it helps keep everyone healthy. When people don't earn paid sick time, there's an incentive to work while sick, especially among lower-wage workers who can't afford to lose a day's pay. When a sick worker has the ability to take paid time off they can prevent the illness from worsening and avoid sharing contagious illnesses with customers and co-workers, without losing needed income, being disciplined at work, or even risking their job. Since more than one third of flu cases are transmitted in schools and workplaces<sup>1</sup>, paid sick leave goes beyond the individual - it affects whole communities. Keeping family members well and at work is difficult when three out of four food service workers in the Portland area don't earn paid sick time. This is even more challenging when we consider food service is one of the fastest ways to spread illness<sup>2</sup>.

No one likes to get the seasonal flu or the food-borne illness culprit, norovirus. For our more vulnerable residents -our youngest children, the medically fragile, and our elders - a simple case of the flu can lead to complex health challenges. Parents with paid sick time are over 5 times more likely to stay at home to care for their sick children<sup>3</sup>. For our medically fragile, the fact that out of every three workers in health care support occupations do not offer paid sick days<sup>4</sup> means that when a contagious illness hits it can take a while to recover. As an example, in 2010, the Oregonian reported a three-week long norovirus outbreak in the Willamette View retirement center<sup>5</sup>.

Lack of Paid Sick Leave also has high community costs: those without paid sick days are twice as likely to use hospital emergency rooms or send a sick child to school or daycare<sup>6</sup>. Paid Sick Leave supports the health of our economy by reducing health care system costs. Access to paid sick days can reduce the use of hospital emergency departments by 14% - essentially preventing one visit out of every seven<sup>7</sup>.

The evidence is clear: Paid Sick Leave helps protect and support the community through preventing the spread of contagious illness. The sooner we have a policy in place, the sooner we'll see these communitywide benefits. Thank you for your time.

<sup>1</sup> Ferguson NM, Cummings DA, Fraser C, Cajka JC, Cooley PC, Burke DS. (2006). Strategies for mitigating an influenza pandemic. *Nature*. 442:448-52.

<sup>2</sup> Institute for Women's Policy Research, December 2012, Briefing Paper, Access to Paid Sick Days in Portland, Oregon, IWPR # B312

<sup>3</sup> Heymann SJ, Toomey S, Furstenberg F. (1999). Working parents: what factors are involved in their ability to take time off from work when their children are sick? *Archives of Pediatrics and Adolescent Medicine*. 153: 870-4

<sup>4</sup> Institute for Women's Policy Research, December 2012, Briefing Paper, Access to Paid Sick Days in Portland, Oregon, IWPR # B312

<sup>5</sup> Mayes, S. April 12, 2010, "Norovirus lifts its grip on Willamette View retirement center after three long weeks,"

[http://www.oregonlive.com/news/index.ssf/2010/04/norovirus\\_lifts\\_its\\_grip\\_on\\_wi.html](http://www.oregonlive.com/news/index.ssf/2010/04/norovirus_lifts_its_grip_on_wi.html)

<sup>6</sup> Smith TW, Kim J (2010). Paid Sick Days: Attitudes and Experiences, National Opinion Research Center, University of Chicago.

<sup>7</sup> Drago R, Williams C, Miller K, Youngmin Y. (2011). Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits, Institute for Women's Policy Research, Washington, D.C.



AUDITOR 03/06/13 PM 1:38

Stephen Aiguier  
Green Hammer  
1323 SE 6th Ave.  
Portland, OR 97214

March 6, 2013

Portland City Council  
1221 SW 4<sup>th</sup> Ave.  
Portland, Oregon 97204

Dear Portland City Council,

As a small business owner, I offer all my staff paid sick days (in addition to vacation, health insurance, Simple IRA etc.) because they do better work and live better lives when they can care for themselves and their families. It's the right thing to do and it makes good business sense, as shown by a growing body of evidence and real life examples from cities such as San Francisco and business experiences such as my own.

Portland works hard to portray itself as a leader in 'sustainability', meaning policies and practices that are environmentally sound, economically viable AND socially responsible. This unified and holistic approach to sustainability is necessary, as a failure in one element will ultimately spoil overall success. All Portlanders deserve fair treatment at work, including paid time off when an employee or their child is sick. Sneezing germs all over other employees, or clients, or other children, clearly is not sustainable, or good for business.

I applaud the city commissioners for seeing through the typical rhetoric that policies like paid sick days are bad for business. They're not. Tough times are the worst time to lose your job for being sick. I know Portland's vibrant business community can figure out how to treat their workers humanely while also staying and succeeding in business. After all, our people are our greatest asset.

Sincerely,

Stephen Aiguier  
CEO, Green Hammer

185926

**Parsons, Susan**

**From:** Martin Donohoe [martindonohoe@phsj.org]  
**Sent:** Wednesday, March 06, 2013 10:42 AM  
**To:** Parsons, Susan  
**Subject:** testimony in favor of paid time off measure from local physician/educator

Dear Ms Parsons:

Mayor Hales and members of the city council, thank you for the opportunity to share my views on the proposed paid sick time ordinance. I am a senior physician at Kaiser Permanente Sunnyside Hospital, an Adjunct Associate Professor in the Department of Community Health at Portland State University, and I also serve on the Board of Advisors of Oregon Physicians for Social Responsibility. Since I can not be at this week's hearing in person, I am submitting this testimony in writing.

The flu hit hard and fast this year, and expert advice on how to avoid and manage it was everywhere. One consistent recommendation — a plea, really — was for sick people to stay away from others to prevent contagion. In other words, don't go to work or school sick, because when people don't, contagion decreases and everyone stays healthier.

Yet, more than a quarter of a million people working in the Portland area (41 percent of all private-sector workers) don't earn a single day of paid sick time while they work.

Nationally, eight in 10 low-wage workers — those least able to afford lost pay — lack paid sick days. This forces too many of our friends and neighbors to make an impossible choice that affects all of us: work sick and spread illness or stay home and lose income, or a job that they can't get by without, and with that possibly their health insurance.

Thinking back to the H1N1 epidemic in 2009, the Institute for Women's Policy Research calculated that nearly eight million Americans went to work while infected that year, spreading the virus to another seven million of their co-workers. Seven million people who couldn't stay healthy because contagious co-workers — who should have been home — infected them.

That kind of contagion — and associated productivity losses and costs to Oregon's Medicaid program and other insurers — can be greatly reduced when people stay home from work and school, as public health officials recommend. But they often don't because without access to paid sick days many employees fear losing pay or even their job. Lack of paid sick days is a barrier to good personal and public health, and it's one that we can and should remove.

Three aspects of this problem are particularly important to highlight:

**Health care costs are higher** when people delay care, skip preventive care, and rely on more expensive off-hours services.

It not only makes sense, but research shows that workers with paid sick days are less likely to delay medical care for themselves or for family members. And we all know that delaying needed care only costs more — and makes people less healthy. Access to paid sick days is also associated with lower usage of hospital emergency departments, a finding that holds true for those workers and families with private health insurance, those with public health insurance (like Medicaid or SCHIP), and those with no health insurance.[i]

3/6/2013

185926

**Food service workers** are on the front lines, but most don't earn paid sick time.

Workers without paid sick days are overwhelmingly concentrated in service-sector jobs that require a high level of interaction with the public. In fact, four out of every five food service employees in the Portland area lack paid sick time. Remember: these are the people preparing, cooking and serving our food.

In December, 90 people at a private event in Portland got Norovirus (a highly contagious stomach virus accompanied by intense vomiting and diarrhea), likely from a sick food service worker. Given the recent news about Norovirus outbreaks, the lack of paid sick time is a big — but preventable — health risk for everyone.

**Children suffer the** consequences when parents don't earn paid sick time.

Children notoriously get sick — and they also get better faster when their parents care for them. Sick kids are often excluded from school and child care to prevent contagion and encourage recovery — requiring a parent to miss work. But more than half of working parents lack paid sick time now, presenting a very real financial challenge for them to responsibly manage their children's routine illnesses and recommended doctor visits.

According to the National Partnership for Women and Families, parents without paid sick days are more than twice as likely as parents with paid sick days to send a sick child to school or day care. And they are five times more likely to report taking their child or a family member to an emergency room because they were unable to take off work during normal work hours. When parents have no choice but to send a sick child to school or child care, the child's health is put at risk — as is the health of other children, teachers and child care providers.

The result is increased contagion and higher rates of infection for all. When parents earn paid sick time at work, they can take their children to well-child visits where they receive timely immunizations that may prevent serious illnesses and certainly contributes positively to our collective health. Timely and preventive care also costs less.

I am very pleased that the Portland City Council is seriously considering a solution to this significant community health problem, and I urge you all to quickly ensure that all workers in Portland earn a reasonable amount of paid sick time. The whole community will benefit and our health care system will cost less when we all earn paid sick days while we work.

Sincerely,

Martin Donohoe, MD, FACP

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[1] IWPR, Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits, November, 2011.

**Parsons, Susan**

185926

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**From:** Per Casey [per@tenrec.com]  
**Sent:** Tuesday, March 05, 2013 12:46 PM  
**To:** Parsons, Susan  
**Subject:** Earned Sick Days Ordinance

Hello Susan,

My name is Per Casey and I run a small web development company based here in Portland. We have ten full time employees in Portland and four more out-of-state. All of our employees are provided with paid time off, both vacation and sick days, including our exempt or hourly employees. I'm very happy to see that Portland is taking up the issue of paid sick time and feel that requiring employers to award sick time to their employees is the right thing to do from both the moral and business perspectives. I urge you to pass the earned sick time ordinance.

Best regards,

**Per Casey**

President

Tenrec, Inc.

415-543-6600, ext. 101

[per@tenrec.com](mailto:per@tenrec.com)

[www.tenrec.com](http://www.tenrec.com)

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3/5/2013