

PROPOSITION ____
[I-24-2016]

fair wages and healthy families act

ANALYSIS BY LEGISLATIVE COUNCIL

1 Currently, the state minimum wage is \$8.05 per hour. Proposition ____ would establish a new
2 state minimum wage of \$10.00 in 2017, \$10.50 in 2018, \$11.00 in 2019 and \$12.00 in 2020. Beginning
3 in 2021, the state minimum wage would increase each year by the cost of living. (Employers would still
4 be permitted to pay employees who receive tips up to \$3.00 per hour less than the minimum wage, as is
5 currently the law.)

6 Proposition ____ would also require employers to provide employees with "earned paid sick time"
7 (sick time) for an employee's medical care or mental or physical illness, injury or condition, an
8 employee's need to care for a family member with a mental or physical illness, injury or condition or a
9 family member who needs medical care, a public health emergency or an absence due to abuse of a child
10 or vulnerable adult, domestic violence, sexual violence or stalking. A small business currently exempt
11 under the state minimum wage law would be covered as an employer for the purposes of the sick time
12 requirements. A person receiving public benefits who is engaged in work activity as a condition of
13 receiving public assistance would be covered as an employee for purposes of the sick time requirements.
14 (A person who is employed by a parent or a sibling or who is employed performing babysitting services
15 in the employer's home on a casual basis would not be covered as an employee.)

16 Beginning July 1, 2017, employees would earn at least 1 hour of sick time for each 30 hours
17 worked; employees in companies with fewer than 15 employees would not be entitled to accrue or use
18 more than 24 hours of sick time each year and employees in companies with 15 or more employees would
19 not be entitled to accrue or use more than 40 hours of sick time each year. An employer may select
20 higher limits for accruing or using sick time. An employee may use sick time as it accrues, except that an
21 employer may require an employee hired after July 1, 2017 to initially wait 90 days before using accrued
22 sick time. Unused sick time would carry forward to the following year. The employer could elect to pay
23 the employee for the unused sick time at the end of the year and provide the employee with the required
24 amount of sick time for use in the following year. An employee would not be entitled to payment for
25 unused sick time upon leaving employment.

26 The employee could not be required to find a replacement worker to cover the hours for which
27 sick time is taken. The employer could require reasonable documentation for 3 or more consecutive days
28 of sick time.

29 An employer would not be allowed to interfere with, restrain or deny any rights protected under
30 Proposition ____, nor could an employer retaliate or discriminate against an employee because the
31 employee exercised those rights.

32 Proposition ____ also contains additional employer notice and recordkeeping requirements and
33 enforcement and civil penalty provisions. The employer would be required to treat information regarding
34 health, domestic violence, sexual violence, abuse and stalking as confidential. The Industrial
35 Commission of Arizona would enforce and implement the sick time statutes. A local government would
36 not be prohibited from enacting a law providing for greater paid sick time rights than established by
37 Proposition _____. An employer could adopt a more generous sick time policy than established by
38 Proposition _____. The sick time requirements would not apply to employees covered by a current
39 collective bargaining agreement or to a valid collective bargaining agreement if the requirements are
40 expressly waived in the agreement.