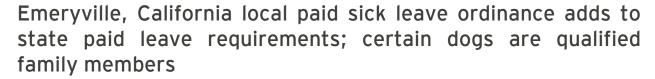
EY Payroll NewsFlash™



Under Emeryville City Ordinance $\underline{15\text{-}004}$ and effective July 1, 2015, modifications are made to the paid sick leave requirements applicable to all California employers as required under AB 1522. The ordinance also increases the minimum wage and requires that 100% of hospitality service charges be paid to employees. <u>Emeryville notice to employers</u>

Emeryville ordinance details

In addition to the paid sick leave requirements under California state law, Emeryville City Ordinance includes the following additional benefits for full-time, part-time and temporary employees working in the city:

- A maximum of 48 paid sick leave hours accrue for employees of small businesses (55 or fewer employees within Emeryville city limits) and 72 hours for employees of large businesses (56 or more within Emeryville city limits).
- In each year of employment, an employee may use up to the total number of paid sick leave hours accrued, subject to the maximum number of accruable paid sick leave hours above.
- The Emeryville ordinance broadens the definition of "family member" under the state's sick leave law to include a designated individual (if the employee has no spouse or registered domestic partner) for whom an employee can use Paid sick leave to provide care. In addition, the employee may use paid sick Leave to provide care for a guide dog, signal dog, or service dog of the employee, employee's family member, or the person designated by the employee.

Ernst & Young LLP insights

Under <u>Assembly Bill 304</u> and effective July 13, 2015, a number of amendments were made to California's Healthy Workplaces, Healthy Families Act of 2014 (*AB* 1522).

The <u>California Department of</u> <u>Industrial Relations</u> is still in the process of issuing revised employer paid sick leave guidelines that incorporate the changes of AB 304.

Because it is not yet clear based on administrative guidelines the extent to which a California municipality may override or append to the state's paid sick leave requirements, employers should check with qualified counsel concerning the compliance impact of this Emeryville ordinance.

For more information on the California paid sick leave requirements prior to AB 304, see EY Payroll Newsflash, Vol. 16, 019 (1-14-2015). The information contained herein is general in nature and is not intended, and should not be construed, as legal, accounting or tax advice or opinion provided by Ernst & Young LLP to the reader. The reader is also cautioned that this material may not be applicable to, or suitable for, the reader's specific circumstances or needs, and may require consideration of non-tax and other tax factors if any action is to be contemplated. The reader should contact his or her Ernst and Young LLP or other tax professional prior to taking any action based upon this information. Ernst & Young LLP assumes no obligation to inform the reader of any changes in tax laws or other factors that could affect the information contained herein. Copyright 2015. Ernst & Young LLP. All rights reserved. No part of this document may be reproduced, retransmitted or otherwise redistributed in any form or by any means, electronic or mechanical, including by photocopying, facsimile transmission, recording, rekeying, or using any information storage and retrieval system, without written permission from Ernst & Young LLP.