EY Payroll NewsFlash™

Court overturns Pittsburgh law requiring paid sick leave

The Allegheny (Pennsylvania) County Court of Common Pleas recently found that the City of Pittsburgh's Paid Sick Leave Ordinance is invalid and unenforceable. Absent an appeal or reversal of this decision, businesses with employees in Pittsburgh will not be subject to the Paid Sick Leave Ordinance (Pennsylvania Restaurant & Lodging Association et al. v. City of Pittsburgh, Case Number GD 15-016442.)

Background

As previously reported (*EY Payroll NewsFlash*, *Vol.* 16, 237, 8-31-15), under the City's *Paid Sick Leave Ordinance*, most employers with one or more employees in Pittsburgh, Pennsylvania were required to provide paid sick leave to their employees beginning on January 11, 2016.

Employers with 15 or more employees would have been required to provide up to 40 hours of paid sick leave per year (24 hours for employees with less than 15 employees). Employees would have accrued a minimum of one hour of paid sick leave for every 35 hours worked within Pittsburgh (up to the maximum of 40/24 hours per year), unless the employer's policy was more generous.

Employers would have also been required to provide notice to employees concerning the paid sick leave law and to maintain certain records demonstrating their compliance with the law.

Court overturns the Paid Sick Leave Ordinance

In its order, the Court determined that the Paid Sick Leave Ordinance is invalid and unenforceable. The Court ruled that as a "home rule municipality," the City of Pittsburgh is prohibited by state law from regulating businesses by "determining their duties, responsibilities or requirements." Because the City's Paid Sick Leave Ordinance placed affirmative duties on businesses, occupations and employers, the Court found that the Act exceeded the City's authority as a home rule municipality.

No impact on Philadelphia paid sick leave

As previously reported (EY Payroll NewsFlash, Vol. 16, 128, 5-13-2015), under Philadelphia's Promoting Healthy Families and Workplaces Ordinance, and effective May 13, 2015, employers of 10 or more employees are required to allow employees to accrue a minimum of one hour of sick leave for every 40 hours worked in Philadelphia, up to 40 hours of sick leave in a calendar year (unless the employer's policy is more generous).

The decision overturning Pittsburgh's Paid Sick Leave Ordinance does not have any direct impact on Philadelphia's paid sick leave requirement. However, it is possible that Philadelphia's paid sick leave law could face future legal challenges in light of the successful challenge of the Pittsburgh paid sick leave ordinance.

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