FILE NO. 070120

ORDINANCE NO. 35-07

[Transition Period for Implementation of Paid Sick Leave Ordinance.]

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Supervisor Elsbernd, Perkin, Jew, Alioto - Pier BOARD OF SUPERVISORS

Ordinance adding Section 12W.17 to the Administrative Code to establish 120-day Transition Period (from February 5 through June 5, 2007) to implement Paid Sick Leave Ordinance, by providing that (1) an employer may delay payment of required paid sick leave until June 6, 2007, and (2) administrative penalties, compensatory costs to the City, liquidated damages, and attorneys' fees may not be awarded for a failure to pay required sick leave during the Transition Period.

Note:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strikethrough italics Times New Roman</u>. Board amendment additions are <u>double underlined</u>. Board amendment deletions are <u>strikethrough normal</u>.

Be it ordained by the People of the City and County of San Francisco:

Section 1. FINDINGS AND PURPOSE.

The Paid Sick Leave Ordinance (the "Ordinance"), Chapter 12W of the San Francisco

Administrative Code, adopted by the voters as Proposition F at the November 7, 2006 election, became operative on February 5, 2007. The Legislative Findings and Purpose in Section 1 of Proposition F detail the strong public policy justifications for the Ordinance. The Ordinance is the first of its kind in the United States, and covers a broad range of employers and employment relationships. Given the short period of time between adoption of the Ordinance and its operative date, application of the Ordinance in some contexts and with respect to some issues has not been completely clear to employers who desire in good faith to understand their obligations under the Ordinance and comply with its requirements.

Section 12W.16 of the Ordinance authorizes the Board of Supervisors to amend the ordinance with respect to matters relating to its implementation and enforcement. Pursuant to its authority under Section 12W.16, the Board of Supervisors hereby amends the Ordinance.

Section 2. The San Francisco Administrative Code is hereby amended by adding Section 12W.17, to read as follows:

SEC. 12W.17. TRANSITION PERIOD FOR IMPLEMENTATION.

- (a) Transition Period. For purposes of this Section, "Transition Period" shall mean the period from February 5, 2007 through June 5, 2007.
- (b) Recordkeeping. During the Transition Period, employers shall maintain and retain records as mandated by Section 12W.6 and in accordance with any guidance as to recordkeeping provided by the Agency.
- (c) Obligation to Provide Paid Sick Leave and Timing of Payment. During the Transition

 Period, an employer shall retain its obligation to provide paid sick leave as required by this Chapter.

 However, at the employer's option, any payment for sick leave required by this Chapter need not actually be made to the employee until June 6, 2007. Notwithstanding Section 12W.8(d), interest on a delayed payment for sick leave shall not be paid for any period of delay within the Transition Period.
- (d) Temporary Suspension of Administrative Penalties, Compensatory Costs to the City, Liquidated Damage, and Attorneys' Fees for Failure to Provide Paid Sick Leave. No award of administrative penalties, compensatory costs to the City, liquidated damages, or attorneys' fees, as provided in Sections 12W.8(b) or 12W.8(c), may be made by the Agency or a court for a failure to provide paid sick leave during the Transition Period. This subsection shall not affect the power to award administrative penalties, compensatory costs to the City, liquidated damages, or attorneys' fees for other conduct occurring during the Transition Period that violates this Chapter, including but not limited to taking adverse action against an employee for exercising rights protected by this Chapter.
- (e) Notwithstanding Section 12W.17(c), nothing in this Section relieves an employer of any obligation under this Chapter.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number:

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Date Passed:

Ordinance adding Section 12W.17 to the Administrative Code to establish 120-day Transition Period (from February 5 through June 5, 2007) to implement Paid Sick Leave Ordinance, by providing that (1) an employer may delay payment of required paid sick leave until June 6, 2007, and (2) administrative penalties, compensatory costs to the City, liquidated damages, and attorneys' fees may not be awarded for a failure to pay required sick leave during the Transition Period.

February 13, 2007 Board of Supervisors — PASSED ON FIRST READING

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

February 27, 2007 Board of Supervisors — FINALLY PASSED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 070120

I hereby certify that the foregoing Ordinance was FINALLY PASSED on February 27, 2007 by the Board of Supervisors of the City and County of San Francisco.

floria/L. Yoʻun

Cherk of the Board

ayor Gavin Newsom

FEB 2 8 2007

Date Approved