

Economic Mobility Catalog: Case Study

Paid sick days: Pittsburgh, PA



Post-Secondary Education & Workforce Development



Stable & Healthy Families

MORE ABOUT THE STRATEGY USED IN THIS CASE STUDY: Protecting worker well-being

At-a-Glance



Summary

- In 2015, about 40 percent of private sector workers in Pittsburgh had no paid sick leave. As a result, these workers had to either work while they (or their family members) were sick or forgo wages.
- In August 2015, the Pittsburgh City Council passed the Paid Sick Days Act. The ordinance provided workers with paid time off when they or a family member were ill or required medical care. Workers would accrue one hour of sick leave for every 35 hours they worked, for up to 40 hours for companies with 15 or more employees. The ordinance prohibited retaliation against employees for appropriate sick leave use, and it empowered the Mayor's Office of Equity to enforce the law. While implementation of the law was delayed by litigation, it went into effect in March 2020, providing approximately 200,000 workers with paid sick leave.
- Keys to the law's success included backing from local elected officials, including Mayor Bill Peduto and several council members; a broad coalition of advocacy, labor, faith, and environmental groups, which built momentum to pass the law; the framing of the law as a matter of public health, which helped strengthen the law against legal challenges; support from external counsel at 32BJ SEIU and other organizations, which aided the City in withstanding prolonged litigation; and an effort to engage local business owners to ensure the law did not place unnecessary burdens on them.
- Challenges the law faced included opposition from service industry groups, who campaigned against the law and later challenged it in court; Pennsylvania state law, which restricts municipalities from regulating business; and limited resources to dedicate to enforcement capacity.

Results and Accomplishments

77%

Before Pittsburgh's paid sick leave law went into effect, 77 percent of the city's service workers were unprotected in the event that they or a loved one was sick. Once enacted, Pittsburgh coveted approximately 200,000 service workers and their families.

40%

Overall, the law delivered paid sick leave for the first time to 40 percent of Pittsburgh's private sector workforce.

8,721

The Pittsburgh Mayor's Office of Equity individually informed 8,721 local businesses about the new law in 2020, including how to ensure compliance — 58% of all businesses operating in the city.

- Covering thousands of workers and their families: Before the Paid Sick Days Act went into
 effect in March 2020, three out of four Pittsburgh service workers faced a choice between
 earning a wage and caring for themselves or loved one. Once in effect, approximately 200,000
 workers and their families no longer had to make such a choice.
- Creating a foundation for additional worker protections: By withstanding a robust legal battle, the Pittsburgh law paved the way for two additional pieces of paid sick leave legislation. The first, the COVID-19 Emergency Sick Leave Act, supplemented the existing legislation to better meet the needs of Pittsburgh workers during the pandemic. The second, the Allegheny County Paid Sick Leave Ordinance, mirrors many aspects of Pittsburgh's legislation while extending coverage to tens of thousands of additional workers in the surrounding county.

Overview



What was the challenge?

- Thousands of workers face choice between wages and health: In 2015, roughly 40 percent of
 private sector workers in Pittsburgh, including 77 percent of the city's service workers, had no
 form of paid sick leave for themselves or their dependents. These unprotected workers, the
 vast majority of whom were low-or middle-income, were forced to either work while sick or lose
 wages to care for themselves or loved one
- State supersedes local authority on business regulations: Despite broad home rule authority
 for Pennsylvania municipalities, a state law prevents certain cities from regulating businesses.
 As a result, local government leaders felt they had limited ability to advance worker protections
 through legislation.

- Organized opposition from the restaurant industry: For years, restaurant industry groups and
 major grocery chains in the area vocally opposed any local legislation that would impact the
 status quo of the worker-employer relationship (like living wage laws, paid sick leave, and more).
 With significant financial resources available, this coordinated opposition was prepared to
 quickly challenge local business regulations in court.
- A shifting political landscape: In January 2014, Bill Peduto, a vocal champion of worker protections like paid sick leave, was elected Mayor of Pittsburgh. The next year, the Pennsylvania Supreme Court experienced significant turnover; three vacancies were filled by justices who would be more likely to rule in favor of local regulation. These two events represented a major shift in the political dynamic that had previously constrained efforts to implement a paid sick leave law in Pittsburgh.

What was the solution?

- Passing legislation through City Council: In June 2015, a group of City Council members drafted legislation to establish paid sick leave in Pittsburgh. This was done in close consultation with a well-established coalition of community groups called Pittsburgh United and national experts like A Better Balance. With strong support among local government leaders, the legislation took just a month to go from introduction to final passage. Still, the law was challenged in court by the Pennsylvania Restaurant and Lodging Association and several Pittsburgh-based businesses, which ultimately delayed implementation for more than four years.
- Paid sick leave for unprotected workers: Pittsburgh's Paid Sick Days Act provides nearly all workers within the city's geographic boundaries with paid time off in the event that they or a family member are ill or require medical care. Workers accrue one hour of sick leave for every 35 hours worked (up to 40 hours for companies with 15+ employees and 24 hours for companies with fewer than 15 employees). In some cases, those hours are front-loaded instead of accrued. Employers are not required to pay out any unused sick time at the end of an employment relationship.
- Protection from retaliation: The ordinance prohibits employers from any form of retaliation or discrimination related to taking paid sick time, including discipline, demotion, or termination.
 Employers, meanwhile, are entitled to request "reasonable documentation" from a worker (such as a doctor's note) if the use of sick time lasts three or more days.
- Administered by the Mayor's Office of Equity: The Paid Sick Days Act is enforced by the
 Pittsburgh Mayor's Office of Equity, which was established in 2019. In addition to direct outreach
 to workers and businesses, the office distributes <u>posters</u> in multiple languages, which employers
 must post publicly. Employers that violate the law are subject to a \$100 fine for each offense, in
 addition to full restitution for the worker.
- A supplemental COVID ordinance: Just as the Paid Sick Days Act went into effect, the COVID crisis struck, prompting an emergency order that included virus-specific paid sick leave. When the order lapsed in December 2020, Pittsburgh implemented the COVID-19 Emergency Sick Leave Act, which provides for up to 80 hours of paid time off for workers impacted by the virus. Like the original ordinance, it is enforced by the Mayor's Office of Equity.

What factors drove success?

- Local government leaders champion paid sick leave: City Council members Cory O'Connor and Dan Gilman advocated for the passage of a paid sick leave law in Pittsburgh. Their leadership allowed for the legislation to quickly pass through City Council. Mayor Bill Peduto then quickly signed the legislation. Throughout the ensuing four-year legal battle, he remained a vocal supporter of keeping the legislation alive. Finally, once the legislation went into effect, Mayor Peduto housed it within his Office of Equity, which included a budget allocation and the use of City support staff.
- Paid sick days as a matter of public health: Differing from other models emphasizing individual
 worker wellbeing, the Paid Sick Days Act was written with a stated intention "to improve public
 health." This broad scope was incorporated into the original legislation as part of a strategy
 to withstand potential legal challenges, given that the state restricted local regulations on
 businesses but allowed them for public health.
- Broad coalition leads the campaign: In addition to elected officials, a well-established coalition
 with a decade of successful advocacy in the area, Pittsburgh United, took up paid sick leave as
 a major initiative. The coalition included major labor (led by 32BJ SEIU), faith, and environmental
 groups. Their wide reach helped to build the momentum necessary for the legislation's rapid
 passage.
- Engaging directly with business owners: As the legislation moved through City Council, members Cory O'Connor and Dan Gilman worked closely with impacted employers (both large and small) to ensure the bill's technical details did not create any unintended burdens on businesses. This deep engagement helped to build a degree of trust between local government leaders and the business community. It also informed key implementation decisions, such as distributing lists of ZIP Codes that the bill covered (crucial for mobile workers like delivery drivers) and ensuring that the legislation would not require businesses to overhaul their payroll systems, which could be costly.
- Support from external counsel: As the paid sick leave legislation rapidly made its way through Pittsburgh City Council (the entire public-facing campaign lasted just 12 weeks), the City of Pittsburgh's Solicitor's Office (which works for both the mayor and City Council) raised concerns about its capacity to win a multi-year legal battle. To maximize the law's chances of being upheld, a group of external supporters, led by counsel from 32BJ SEIU, anchored the defense of the legislation (other groups, such as the Women's Law Project, submitted amicus briefs supporting the law). This effort required significant time and organizational resources over the four years the Paid Sick Days Act spent in court.

What were the major obstacles?

• Limited enforcement capacity: The Pittsburgh Mayor's Office of Equity, which was launched in 2019, has the resources to allocate just a single staff member to paid sick leave — with the scope including both enforcement and raising public awareness. This staffing level has likely limited worker awareness of the law, and, in turn, those who would consider filing complaints.

- Home rule exemption for business regulations: While Pennsylvania's municipalities have broad
 authority to govern at the local level, state law restricts certain classes of cities (including
 Pittsburgh) from regulating businesses. This dynamic has allowed for repeated, successful legal
 challenges to overturn local legislation focused on advancing worker interests.
- Opposition from Pittsburgh-area service industry groups: Led by the Pennsylvania Restaurant and Lodging Association, a coalition including several bars and restaurants in Pittsburgh campaigned against the paid sick leave legislation while it was debated in City Council. After it passed, the opposing coalition challenged the paid sick leave law in court. This led to a 4-year delay in implementation, along with significant time and financial costs for the city and the supporting coalition.

Timeline



NOVEMBER 2006

San Francisco passes nation's first municipal paid sick days law

A ballot initiative passes with <u>61 percent of the vote</u> in San Francisco, guaranteeing workers one hour of paid sick leave for every 30 hours worked. Washington, D.C. and Milwaukee follow suit in 2008 as momentum builds across the country for municipal paid sick leave legislation (Milwaukee's law, however, is ultimately blocked by the state legislature). Nationally at the time, roughly <u>80 percent</u> of service workers do not have access to paid sick time.

2007

Pittsburgh United founded

A broad coalition of community, labor, faith, and environmental organizations formally launches <u>Pittsburgh United</u> to advance upward mobility in the area. The coalition becomes a strong civic voice in Pittsburgh, helping to lead campaigns ranging from public investments in green infrastructure to affordable housing to equitable economic development. The organization is an affiliate of the national nonprofit <u>Partnership for Working Families</u>.

NOVEMBER 2013

Bill Peduto elected Mayor of Pittsburgh

A veteran of Pittsburgh's City Council, Bill Peduto prioritizes advancing worker protections as part of a <u>broader effort to improve economic mobility</u>, including paid sick leave, a \$15 <u>minimum wage</u>, and piloting a <u>guaranteed basic income</u> program. He is reelected for a second term in 2017.

AUGUST 2015

Pittsburgh City Council passes Paid Sick Days Act

A month after it is proposed, the Paid Sick Days Act passes in Pittsburgh City Council. Mayor Peduto quickly signs the legislation into law.

SEPTEMBER 2015

Pittsburgh-area businesses sue to stop paid sick leave law

One month after Pittsburgh City Council passes the legislation, the Pennsylvania Restaurant and Lodging Association and several local businesses sue the city. 32BJ SEIU and Pittsburgh United work closely with the City of Pittsburgh to defend the law in court. An initial ruling in December 2015 overturns the law; that ruling is affirmed by a higher court in May 2017.

JULY 2019

Pennsylvania Supreme Court overturns lower court decisions, upholds Paid Sick Days Act

After making its way through the Pennsylvania court system over the course of four years, the state supreme court overrules previous decisions and upholds the Pittsburgh law, allowing it to go into effect the next year. "Guaranteeing paid sick leave is a huge win for those who live and work in Pittsburgh," Mayor Peduto said. "As I've long said, people should not be forced into making the tough decision between staying home sick and missing a day's pay, or coming into work and spreading infection."

MARCH 2020

Paid Sick Days Act goes into effect in Pittsburgh

Nearly five years after it was originally signed into law by Mayor Peduto, Pittsburgh's Paid Sick Days Act goes into effect — two days after the City declares a state of emergency due to COVID-19. The Mayor's Office of Equity begins conducting outreach to businesses and workers to inform them of the law, emphasizing the suddenly heightened importance of protecting public health.

DECEMBER 2020

Pittsburgh City Council passes COVID-specific paid sick leave ordinance

In response to the COVID pandemic, Pittsburgh City Council passes <u>an additional ordinance</u> that expands the Paid Sick Days Act coverage, including eliminating the 90-day tenure requirement and doubling the maximum number of paid sick hours to 80. In July 2021, it is extended for another year.

SEPTEMBER 2021

Allegheny County approves paid sick leave ordinance

Building on the City of Pittsburgh's Paid Sick Days Act, Allegheny County Council unanimously passes <u>a similar ordinance</u>, ensuring businesses with workers both inside and outside city lines are subject to the same regulations. The law goes into effect in December 2021.

JANUARY 2022

Mayor Ed Gainey takes office in Pittsburgh

Ed Gainey takes office after being elected Mayor of Pittsburgh in November 2021. A vocal champion of workers' rights including paid sick leave, Mayor Gainey campaigns on inclusive economic development.

Implementation Process



How did leaders confront the problem?

- A choice between wages and health: Like the vast majority of service industry workers across
 the country, more than three quarters of those in Pittsburgh had no access to paid sick time. The
 majority of these workers were low-and middle-income and a large percentage were people of
 color.
- Regional and national momentum for paid sick days: After San Francisco became the first municipality to enact a mandatory paid sick leave law covering private-sector workers in 2006, other jurisdictions began to follow suit. In February 2015, Philadelphia (exempt from certain state restrictions on municipal regulations) enacted a robust paid sick leave law. Local government leaders, along with Pittsburgh United (the coalition of major labor, faith, and environmental groups), sought to build on Philadelphia's momentum in the state.
- State preemption on local business regulations: Despite local government leaders' support for paid sick leave, the coalition in Pittsburgh was concerned that any legislation would be overturned in court. This changed in November 2015, when three vacant seats on the Pennsylvania Supreme Court were filled with three new justices demonstrating an openness to local health regulations that could impact businesses.
- Organized opposition from employers: With paid sick leave rapidly gaining momentum in Pittsburgh, the Pennsylvania Restaurant and Lodging Association, along with a small group of owners of restaurants, bars, and supermarkets, led a campaign against the legislation, citing the risk of increased costs and the potential for disruptions to their businesses. However, by the time the opposition coalition had mobilized, the paid sick leave legislation already had the necessary support to pass through City Council. As in many municipalities seeking this type of legislation, the organized opposition then decided to challenge the rule in court.

How was the strategy designed?

- Requiring paid sick leave for all workers: To ensure workers can safely care for themselves or a
 loved one without risk of losing wages, Pittsburgh's paid sick leave law allows workers to accrue
 up to 40 hours paid time off (for any company with fewer than 15 employees, the cap is 24
 hours). Employers already providing paid time off or vacation policies that match or exceed the
 city's policy do not have to provide additional paid sick time.
- A broad definition of "family member": To meet the diverse needs of many covered workers while setting clear standards for employers, the law lists in detail all individuals for whom a worker can use paid sick time. These include: any child for whom a worker may be providing care; a partner; a parent; a sibling; and more than 20 other enumerated types of relationships. A worker may also receive oral permission to care for someone not covered explicitly by the law.

• Soliciting input from business owners: To build trust and reduce the administrative burden on employers, City Council members Dan Gilman and Cory O'Connor met multiple times with small business owners, the Greater Pittsburgh Chamber of Commerce, and some restaurant industry groups to identify potential pain points in implementing the law. For instance, after one meeting revealed that certain proposed regulations would require some small business owners to buy new payroll management software, the Council members revised the legislation to allow for more flexible recordkeeping requirements that would allow existing systems to remain in place.

How was the plan implemented?

- Passing the legislation: Given the strength of the Pittsburgh United coalition and its ongoing engagement with sponsoring City Council members, the paid sick leave law made its way rapidly through the legislative process taking just a month from its introduction in a Council committee to its final passage. Throughout this process, Council members Dan Gilman and Cory O'Connor engaged directly with both business owners and Pittsburgh United to tweak specific rules and define terms that may have been ambiguous (such as who qualifies as a family member).
- Defending the law in court: During the legislative process, 32BJ SEIU and Pittsburgh United
 operated under the assumption that the city would be sued to halt paid sick leave from going
 into effect. As a result of this assumption, they developed a legal strategy that included lobbying
 for specific legislative language to demonstrate that the law was a public health initiative, rather
 than a business regulation.
- Finding a home for enforcement: With the paid sick leave legislation finally upheld in court, Mayor Peduto identified the newly launched Office of Equity as a strong fit to administer the law. This stemmed from the office's mandate to "focus on alleviating issues that exclude or evade residents from accessing opportunity or upward mobility." Once the office was selected, Pittsburgh's Chief Equity Officer, Majestic Lane, was tasked with hiring a business compliance specialist, the attorney responsible for raising awareness among workers and employers and conducting investigations.
- Building an investigative process: Once hired, the business compliance specialist worked closely with the Pittsburgh City Law Department to design a worker complaint intake and investigation process that both complied with the law and provided a feasible pathway to enforcement given the office's capacity constraints. For instance, the specialist drafted a complaint form, created a rubric for evaluating a complaint's veracity, and identified key documents that would be requested from an employer. The business compliance specialist also consulted with the Philadelphia Mayor's Office of Labor, which had been enforcing a paid sick leave law for 5 years.

- Raising awareness among employers and workers: The business compliance specialist led a three-pronged approach to public engagement: direct email outreach (contacting as many as 100 businesses that would be impacted by the law per day); in-person presentations to community groups (such as neighborhood chambers of commerce and worker interest groups, often with 50-60 people in attendance); and traditional marketing, including advertising in bus shelters and frequent posts on the city's major social media accounts (up to 50 posts per week in the 4 weeks leading up to the effective date).
- Processing complaints: After the awareness-raising campaign, the law went into effect.
 However, this occurred just as the COVID crisis struck, resulting in far fewer complaints than
 initially anticipated (due to mass shutdowns of businesses). With priorities across the city rapidly
 shifting, the Office of Equity focused on developing emergency legislation to address COVIDrelated sick leave, which went into effect in December 2020.

How was the approach funded?

- Funding the Mayor's Office of Equity: The Pittsburgh Mayor's Office of Equity, which administers and enforces the paid sick leave law, operates on a budget of roughly \$1.3 million annually. However, just one of the office's 14 full-time employees is dedicated to paid sick leave (with a budgeted salary of \$72,000 per year plus benefits). During the implementation period between July 2019 and March 2020, the office also tapped into its marketing budget for fliers and translation services for marketing materials.
- External supporters supply legal teams pro bono: 32BJ SEIU, which was given party status by the Pennsylvania courts, led the Paid Sick Days Act legal defense throughout the four-year legal battle, with support from the Women's Law Project. Both organizations relied on internal general operations budget funding (rather than any dedicated grants or donations) to fund legal activities related to the legislation.

How was the approach measured and refined?

- Supplementing the law with COVID-specific ordinance: With the paid sick leave law going into
 effect just as the COVID crisis was declared an emergency in Pittsburgh, local legislators quickly
 identified the need to craft additional legislation to preserve public health which was the legal
 foundation of the original law. Pittsburgh's COVID-19 Emergency Sick Leave Law entitles all
 workers in the city to 80 hours of paid time off for COVID-related illness.
- Building out data collection and enforcement capacity: Currently, the Mayor's Office of Equity
 dedicates a single staff member to enforcing the law and collecting data related to paid sick
 leave (worker complaints, fines, etc.). The office does not have a formal data management
 system to analyze broader trends across Pittsburgh but intends to reach that capacity in the
 coming years.

Implementing paid sick leave in Alleghany County: With the pandemic shedding light on
the heightened value of Pittsburgh's Paid Sick Days Act, Alleghany Council passed a similar
ordinance, which went into effect in December 2021. Doing so ensured that businesses with
workers both inside and outside city lines were subject to the same regulations, and that
everyone in the county benefited from the same set of protections.

Acknowledgments

Results for America would like to thank the following individuals for their help in completing this case study: former Pittsburgh City Council member Dan Gilman; Heather Arnet, CEO of the Women & Girls Foundation; Susan Frietsche, Senior Staff Attorney at the Women's Law Project; Joshua Lamonde, former business compliance specialist of the Pittsburgh Mayor's Office of Equity; Alex Wallach Hanson, Field Director at Pittsburgh United; and Corey Buckner, Western Pennsylvania Political Director and Sam Williamson, District Leader, at 32BJ SEIU.

Learn more

- Pittsburgh Paid Sick Days Act
- · Pittsburgh Paid Sick Days Act FAQ
- City of Philadelphia paid sick leave resources
- A Better Balance 2022 Paid Sick Leave report
- A Better Balance paid sick time laws interactive overview
- Economic Policy Institute paid sick leave law resources

