



# San Francisco Paid Sick Leave Ordinance (PSLO)



Office of Labor Standards Enforcement

# Covered Employees and Employers

- All businesses in San Francisco are required to provide paid sick leave
- Employees who perform work in San Francisco 56 or more hours per year must accrue paid sick leave



# Minimum Compensation Ordinance and Paid Sick Leave

- Effective 7/1/20, the Minimum Compensation Ordinance (MCO) integrated the PSLO into the PTO requirements. For more information, please watch the on-demand MCO webinars on the MCO webpage, read the MCO Rules and Regulations, or contact the MCO unit at [mco@sfgov.org](mailto:mco@sfgov.org).



# Use of Paid Sick Leave

- For illness, injury, medical care, treatment or diagnosis.
- To provide care for a family member, spouse, domestic partner or designated person.
- For victims of domestic violence, sexual assault or stalking.



# Accrual and Use of Paid Sick Leave

- Accrue 1 hour of PSL for every 30 hours worked
- Accrue PSL starting on day 1
- Use PSL hours after 90 days
- Caps on accrual:
  - 40 hours for employers with <10 employees
  - 72 hours for all other employers



**QUESTION:** Company has 1 employee in San Francisco but more than 10 employees in other locations, what is the accrual cap?

**ANSWER:** To determine employer size, all employees worldwide are counted. The SF employee can accrue 72 hours of paid sick leave



# Accrual and Use of Paid Sick Leave

- Caps are not annual; accrued PSL hours carry over from year to year
- Employers must notify employees of PSL accrued each pay period
- Employees can use any PSL accrued



**QUESTION:** Can a company front load 72 hours instead of using an accrual method?

**ANSWER:** Yes, a company may front load hours. OLSE would consider that an advance on sick leave hours yet to be accrued.

If the company front loads 72 hours for an employee at the beginning of the year, it is possible for an employee to use and accrue more than 72 hours in a year. There should be a carry over provision.





## EXAMPLE:

- January 1 - Employee has 72 hours of sick leave previously accrued, calls in sick and uses all 72 hours
- Mid January – Employee returns to work
- Mid January to mid December – Employee works 1,944 hours and accrues 64 hours of paid sick leave
- End of December – calls in sick, uses 64 hours of sick leave



## EXAMPLE:

An example of a compliant policy would be to front load 72 hours at the start of each year, allow all unused hours to roll over and have a maximum cap of 136 hours of paid sick leave at any time.



# Paid Sick Leave Questions

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