



ALLEGHENY INSTITUTE

FOR PUBLIC POLICY

October 7, 2020

Allegheny Institute Op-Ed

640 words

Allegheny County's sick-leave proposal a nonstarter **By Colin McNickle**

It is an idea whose time should *not* come again in local governance, researchers at the Allegheny Institute for Public Policy say: Allegheny County Council has proposed an ordinance, that as in the City of Pittsburgh, would mandate that businesses offer paid sick leave to their employees.

“This is a short-sighted measure that will harm businesses, many of which are struggling with the effects of the coronavirus and trying to recover from the economic shutdown,” say Jake Haulk, president-emeritus of the Pittsburgh think tank, and Eric Montarti, research director there (in *Policy Brief Vol. 20, No.35*).

The county ordinance parrots the 2015 city ordinance nearly word for word. After several legal challenges, the Pennsylvania Supreme Court affirmed the city ordinance's validity in 2019. The high court held the measure was more a “health and safety ordinance” instead of an impermissible statute that regulated business for its own sake.

The county proposal has the same accrual rate for paid sick leave (one hour for every 35 worked), exempts the same types of employees from the mandate (independent contractors, state and federal employees, any member of a construction union with a collective bargaining agreement or seasonal employees) and treats businesses differently based on the number of employees.

To wit, employees of businesses that have 15 or more employees can accrue no more than 40 hours of paid sick time in a calendar year. If the businesses have fewer than 15 employees, the cap is 24 hours in a calendar year.

“Unlike the city's ordinance, the county's proposal does not allow businesses with fewer than 15 employees to provide unpaid sick time for the first calendar year after the effective date of the ordinance,” Haulk and Montarti say.

The proposed county ordinance outlines some of the purported benefits of paid sick leave -- from greater productivity to reductions of turnover, greater employee loyalty and improvements to public health.

But as noted in an Allegheny Institute white paper last year (in *Policy Brief Vol. 19, No. 27*), an analysis of 10 studies on paid sick time found there were consistent “moderate negative consequences for affected businesses” and that “such laws do not produce the benefits promised by supporters.”

And there are myriad other policy issues, problems and questions surrounding the county ordinance.

While the ordinance states that “members of the workforce throughout Allegheny County lack access to paid sick days,” there is nothing in the proposed law detailing just how many there are.

Then there’s how, exactly, government can presume to know that a business with 18 employees can somehow better afford a sick-leave mandate than a business with 14.

What of businesses deciding not to expand beyond 15 employees (and, thus, hurting economic growth) because of the sick-leave mandate?

What of business flight to another municipality or county to avoid such a law?

And what of the redundancies and overlaps with the city and county having pretty much the same ordinances that have not been addressed?

Then there are record-keeping compliance costs for businesses and oversight costs for government. Some businesses might find it cheaper to pay the \$100 fine (per offense) than to pay sick leave and jump through all the compliance hoops.

“Given the recent data on employment” because of the coronavirus pandemic, “this is the worst possible time to cause businesses, especially small businesses and the leisure and hospitality businesses, to put off hiring because of added costs and tedious paperwork and record-keeping,” Haulk and Montarti say.

But the bottom line remains that government, even in “good times,” has no business interfering in the operations of private businesses in such a way.

Colin McNickle is communications and marketing director at the Allegheny Institute for Public Policy (cmcnickle@alleghenyinstitute.org).

Op-Eds may be reprinted as long as proper attribution is given.

Allegheny Institute for Public Policy
305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234
Phone (412) 440-0079
E-mail: aipp@alleghenyinstitute.org
Website: www.alleghenyinstitute.org
Twitter: [AlleghenyInsti](https://twitter.com/AlleghenyInsti)