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A pig of a poor public policy

By Colin McNickle

Allegheny County Council could not muster enough votes to override the county executive's veto of a mandatory paid sick-leave ordinance for private businesses.

Chief Executive Rich Fitzgerald said that while he supports paid sick leave, the legislation did not originate where it should have – with the county health board – and likely was ripe for a court challenge. He has directed the board and Department of Health to promulgate the regulations.

But government-mandated sick leave in Allegheny County still is a bad idea, says a researcher at the Allegheny Institute for Public Policy. And questions abound.

"Will these proposed regulations be identical to the final version of the (vetoed) ordinance?" asks Eric Montarti, research director at the Pittsburgh think tank (in *Policy Brief Vol. 21, No. 13*). "Or will they be substantially different from what the council approved?"

And then there are administrative compliance costs for both the businesses affected and the government enforcers. And lest we forget, the propriety of government, in setting an employee threshold, determining which businesses of a certain employee size can or cannot afford to pay the benefit.

The original ordinance would have imposed a paid sick leave mandate on private businesses operating in the county with 26 or more employees.

Those workers would have accrued no more than 40 hours of paid sick time in a calendar year. The accrual rate was one hour of paid sick leave for every 35 hours worked. The calendar year total and accrual rate would not preclude an employer from offering higher amounts.

Independent contractors, state and federal employees, any member of a construction union with a collective bargaining agreement or seasonal employees were exempt.

But scholarly studies consistently have shown such sick leave mandates do not live up to their billing.

To wit, a review of 10 such studies by the Freedom Foundation in 2014, found "overall, mandatory paid sick leave laws consistently have moderate negative consequences for affected businesses.

"At the same time such laws do not produce the benefits promised by supporters," the foundation concluded.

Such as, among other things, reducing the phenomenon of "presenteeism" – going to work sick – which often is *the* stated goal of mandatory sick leave diktats.

And given the recent data on employment, this is the worst possible time to cause businesses, especially leisure and hospitality businesses, to put off hiring because of added costs and tedious paperwork and record-keeping.

"As we reiterated in previous (Policy) Briefs, 'a healthy, dynamic small business community is very important. Why endanger that or make it more difficult with more heavy-handed government?"

"The ordinance was a short-sighted measure that would harm businesses, many of which are still struggling with the effects of the coronavirus and trying to recover from economic shutdowns," Montarti says.

Any new sick-leave mandate, no matter its origin, would be no different – no matter what color lipstick is smeared on this pig of a poor public policy.

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