

TO: Honorable XXXXX

FR: Capital Region Minority Chamber of Commerce
Chamber of Commerce Southern New Jersey
Commerce and Industry Association of New Jersey
Fuel Merchants Association of New Jersey
Home Health Services Association of New Jersey
Hudson County Chamber of Commerce
Independent Association of Franchise Owners of Dunkin' Donuts and Baskin Robbins
Morey's Piers, Beachfront Waterparks and Resorts
National Federation of Independent Business – New Jersey
New Jersey Amusement Association
New Jersey Business & Industry Association
New Jersey Food Council
New Jersey Gasoline, C-Store, Automotive Association
New Jersey Hotel & Lodging Association
New Jersey Independent Electrical Contractors
New Jersey Lawsuit Reform Alliance
New Jersey Restaurant Association
New Jersey Retail Merchants Association
New Jersey State Chamber of Commerce
New Jersey Travel and Tourism Association
Princeton Regional Chamber of Commerce

DATE: November XX, 2013

RE: Senate Bill S-2866 (Weinberg, Codey)

Our organizations respectfully oppose Senate Bill S-2866, which would impose a paid protected sick leave requirement on all employers.

No business wants to lose a good worker. Employers who are able to offer the benefit are already doing it now, or, they are providing flexibility like allowing employees to switch shifts or make up time. That is why we believe that a paid sick leave mandate will not accomplish its goals. Instead, it will result in fewer raises, fewer bonuses, reduced hours, or even layoffs.

Businesses have a set amount of resources. If they have to devote those resources to paying people who are not at work, they will have to cut elsewhere. Many businesses will not only have to pay wages when a worker takes a paid sick day, but they will also have to pay another worker to take their place. This will be particularly detrimental to small, locally owned “mom and pop” operations and seasonal businesses. Workers in seasonal businesses will accumulate a full complement of sick days while working only part of the year, some of the time. A college student may work for an employer in the summer and return for a few weeks during winter break only to request paid sick time which the employer would have to provide.

Although seasonal and “mom and pop” businesses may bear the biggest burden, *all* employers – even those currently offering paid time off – will be impacted. The bill requires employers to keep records of leave taken by every worker for at least five years. It contains anti-retaliation provisions that will make it difficult to discipline workers for abusing leave. It allows leave to be carried over from one year to the next; prescribes reasons leave can be taken (including school closures); and prohibits employers from requiring workers to find their replacements. Very few, if any, employers will be able to meet these conditions without making major changes.

The fact that this mandate will be on top of a possible minimum wage increase, federal healthcare reform and higher payroll taxes, lead us to believe that if this legislation is enacted it will have widespread repercussions on all employers and workers. The letter that follows explains our concerns in detail. We thank you for your consideration.