# LEGAL UPDATE MISSOURI

# Missouri Voters Pass Paid Sick Leave Initiative

On Nov. 5, 2024, voters in Missouri passed <u>Proposition A</u>, a ballot initiative requiring employers to provide employees with earned paid sick time (EPST). (Note that the Missouri election results are unofficial until they have been certified in accordance with state law, which may not happen until Dec. 10, 2024.) Key elements of the new EPST law are addressed below.

#### **Covered Employers**

All employers other than the federal or state government are covered by the EPST requirement. The government exception covers state departments and agencies as well as cities, counties, towns, school districts, institutions of public higher education and other political subdivisions of the state.

#### **Eligible Employees**

All employees in Missouri are eligible for EPST except:

- Nonemployees or volunteers for an educational, charitable, religious or nonprofit organization;
- Foster parents;
- Employees of children's camps who work less than four months per year;
- Employees of educational conference centers operated by an educational, charitable or not-for-profit organization;
- Employees who work for educational organizations in exchange for tuition, housing or fees;
- Occasional workers in a private residence who work for no more than six hours on each occasion;
- Casual babysitters;
- Casual or intermittent caddies, newsboys "or similar occupation";
- Railroad workers;
- Retail service employees of a business with less than \$500,000 gross annual sales or business done;
- Prisoners; and

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#### **Important Dates**

#### Nov. 5, 2024

Missouri voted to enact a ballot measure providing for earned paid sick time for workers in the state.

#### April 15, 2025

Employers must provide notice of the law to employees.

#### May 1, 2025

Workers may accrue and use earned paid sick time.

The annual leave amount for larger employers is 56 hours; for smaller employers, the amount is only 40 hours. • Employees of newspapers with a circulation of less than 4,000.

#### Accrual and Use of EPST

All employees must accrue at least **one hour** of EPST for every **30 hours** worked, beginning **May 1, 2025**. Employees may use EPST as soon as it is accrued. Employers with **15 or more employees** may cap employee use of the leave at **56** hours per year; for employers with **fewer than 15 employees**, the yearly use cap is **40** hours unless the employer chooses to allow more.

#### **Carryover, Payout and Frontloading of EPST**

Up to 80 hours of employees' unused EPST carries over into the following year. As an alternative to allowing carryover, employers may instead pay out unused EPST at the end of the year as long as they provide employees with the full amount of leave required by the law for immediate use at the beginning of the following year.

#### **Reasons for EPST**

The law requires that employees be allowed to use the leave for a variety of reasons fairly standard to state paid sick leave laws across the country: for the employee and their family members' mental or physical illness, injury or health condition, and for preventive care. Notably, the statute also allows the use of EPST for specific safe leave purposes when the employee or their family member is the victim of domestic violence, sexual assault or stalking.

In keeping with state leave law trends nationally, especially post-COVID-19, the Missouri measure provides for leave when the employee's place of business or child's school or place of care has been closed for a public health emergency. The leave is also allowed when the employee or a family member has been exposed to a communicable disease and their presence in the community may jeopardize the health of others.

# Notice, Certification and Recordkeeping

Employers may require employees to provide notice of leave, with different parameters depending on whether the leave is foreseeable or unforeseeable. Such requirements must be included in a written policy. Employers may also demand reasonable documentation (explained in the law) in support of EPST of three or more consecutive days.

Employers must give employees a written notice about EPST within **14** days of the start of employment or on **April 15**, **2025**—whichever is later. A workplace poster about the law must also be displayed by that date. The law requires employers to retain records documenting hours worked and EPST taken by employees for three years.

# **Employer Paid-time-Off (PTO) Policies**

Employer leave policies such as PTO satisfy the EPST law's requirements if they provide the same amount of paid leave for the same purposes and under the same conditions as provided by the law.

# **Enforcement and Penalties**

Employers are prohibited from retaliating against employees who request or use EPST as allowed by the law, who have the right to file civil suits for alleged violations. Administrative actions and fines may also apply to employers who fail to comply with EPST requirements.

# **Next Steps for Employers**

Employers should familiarize themselves with the new leave law and ensure managers, supervisors and HR personnel are trained on its requirements before it takes effect in 2025. Employers should also watch for new rules, model notices and guidance materials about the law from the Missouri Department of Labor and Industrial Relations.