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|  | **The Council of the City of New York**  **Finance Division**  Latonia Mckinney, Director  **Fiscal Impact Statement**  **Proposed Intro. No: 1399-A**  **Committee:** Civil Service and Labor |
| **Title:** A local law to amend the administrative code in relation to protecting employees who seek temporary changes to work schedules for personal events and certain other schedule changes | **Sponsor(S):** Council Members Rose, Lander, Dromm, Cumbo, Kallos, Constantinides, Levin, Cohen, Reynoso, Levine, Rosenthal, Johnson, Salamanca, Van Bramer, Torres, Lancman, Menchaca, Chin, Cabrera, Espinal, Eugene, Maisel, Williams, Barron, Miller, Ferreras-Copeland, Treyger, Richards, King, Perkins, Rodriguez and the Public Advocate (Ms. James) |

**Summary of Legislation:** This legislation would require an employer to allow employees to take two temporary schedule changes per year – including paid time off, remote work, changing work hours and unpaid leave – relating to a personal event (caregiving responsibilities, legal proceedings or hearing for subsistence benefits, or anything that would constitute a basis for permissible use of safe time or sick time). The bill would also establish a written process for employees and employers to communicate regarding requests for such changes. The bill would protect employees from employers retaliating against them for making schedule changes requests.

This legislation would additionally establish that the employer may deny the request only if the employee has already used their two allotted requests. This legislation would not apply to employees who have been employed for fewer than 120 days, work less than 80 hours in the city in a calendar year, or certain employees who are employed by an employer in the motion picture or live entertainment business. Additionally employees covered by a collective bargaining agreement that addresses temporary changes to work schedules would be exempt.

Finally, this legislation establishes that an employer violation of this legislation would result in $500 fine awarded to the employee and an order of compliance issued by the Office of Labor Policy and Standards, provided that an employer who fails to provide an employee with a written response to their request may cure the violation without penalty by providing the Office with proof that it issued such response to the employee within seven days of the Office notifying the employer of the opportunity to cure.

**Effective Date:** This local law would take effect 180 days after it becomes law, provided that in the case of employees covered by a valid collective bargaining agreement in effect on the effective date, the local law would take effect on the date of the termination of such agreement. Additionally, the Director of the Office of Labor Standards may take such measures as are necessary for the implementation of the local law, including the promulgation of rules, before the effective date of the local law.

**Fiscal Year In Which Full Fiscal Impact Anticipated:** Fiscal 2019

**Fiscal Impact Statement:**

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|  | **Effective FY19** | **FY Succeeding Effective FY20** | **Full Fiscal Impact FY20** |
| **Revenues** | $0 | $0 | $0 |
| **Expenditures** | $799,330 | $310,470 | $310,470 |
| **Net** | ($799,330) | ($310,470) | ($310,470) |

**Impact on Revenues:** It is anticipated that there would be no impact on revenue resulting from this legislation.

**Impact on Expenditures:** It is anticipated that that this legislation would impact expenditures in the amount of nearly $800,000 in Fiscal 2019 and $310,000 annually thereafter – largely the result of personal service (PS) costs. PS costs will total roughly $308,000 annually, representing the salary and fringe benefits of the following staff which will need to be hired at the Office of Labor Policy and Standards: outreach associate (1); agency attorney (1); and investigator (1). Other than personal services (OTPS) expenses are expected to cost roughly $491,000 in the first year and $2,300 per year after that. The cost in Fiscal 2019 for OTPS is almost entirely due to the public awareness campaign that the Office will undertake with an estimated cost of $474,000.

**Source of Funds To Cover Estimated Costs:** Not applicable.

**Source of Information:** New York City Council Finance Division

New York City Department of Consumer Affairs

**Estimate Prepared By:** Kendall Stephenson, Economist, Finance Division

**Estimate Reviewed By:** Paul Sturm, Supervising Economist, Finance Division

Raymond Majewski, Deputy Director/Chief Economist, Finance Division

Eric Bernstein, Counsel, Finance Division

**Legislative History:** This legislation was introduced to the full Council as Intro. No. 1399 on December 6, 2016 and was referred to the Committee on Civil Service and Labor (Committee). On March 3, 2017, the Committee held a hearing on Intro. No. 1399, and the legislation was laid over. The legislation was subsequently amended and the amended legislation, Proposed Intro. No. 1399-A will be considered by the Committee at a hearing on December 18, 2017. Upon successful vote by the Committee, Proposed Intro. No. 1399-A will be submitted to the full Council for a vote on December 19, 2017.

**Date Prepared:** December 15, 2017