

# Michigan's New Earned Sick Time Act

## What YOU need to know!

There is a new law that will take effect on February 21, 2025 and it will have a significant impact on your business.

### Key provisions include:

#### Accrual and Usage

- All Michigan employers must provide up to 72 hours of sick leave annually.
- Employees accrue 1 hour of sick time for every 30 hours worked.
- Unused sick time carries over, but employers can limit annual use to 72 hours.

#### Employer Obligations

- Businesses with 10+ employees must allow 72 hours of paid sick time per year.
- Smaller businesses (<10 employees) must provide 40 hours paid and 32 hours unpaid sick time.
- Employers must display a poster with ESTA information and provide written notice to employees.

#### Employee Rights

- Employees can use accrued sick time as it's earned.
- The act prohibits retaliation against employees exercising their ESTA rights.
- Employees have up to 3 years to file claims for violations.

#### Compliance and Penalties

- Employers must retain records for 3 years.
- Civil fines up to \$1,000 per violation may be imposed.
- Employers should review and update their policies to ensure compliance with ESTA .before its implementation.

Here is a poster being made available by the Michigan Department of Labor and Economic Opportunity: [https://www.michigan.gov/-/media/Project/Websites/leo/Documents/WAGE-HOUR/WHD-99xx-Information-Sheets/WHD-9911-PMLA-Poster/Paid Medical Leave Act Poster 9911 English.pdf?rev=85573d330de641cfb503107f1cc7c7b1](https://www.michigan.gov/-/media/Project/Websites/leo/Documents/WAGE-HOUR/WHD-99xx-Information-Sheets/WHD-9911-PMLA-Poster/Paid%20Medical%20Leave%20Act%20Poster%209911%20English.pdf?rev=85573d330de641cfb503107f1cc7c7b1)

Here is a PowerPoint presentation from the Michigan Department of Labor and Economic Opportunity which explains key provisions of ESTA: <https://www.michigan.gov/leo/-/media/Project/Websites/leo/Documents/WAGE-HOUR/LEO-Sick-Time-Act-FINAL.pdf>

If you have not established a policy or procedure regarding the ESTA, here is a link to one from the web: <https://www.michamber.com/wp-content/uploads/2024/12/ESTA-Sample-Handbook-Policy-Language.pdf>