

For Large Employers – 11 or More Employees (72 Hours)

DATE

Re: New Earned Paid Leave Policy Notification

Dear NAME,

Effective February 21, 2025, **EMPLOYER'S NAME** will make the following improvements to our paid time off policies, in compliance with Michigan's new Earned Sick Time Act ("ESTA").

- ALL employees regardless of status (full-time, part-time, temporary, seasonal, hourly, salary, etc.) will begin accruing one hour of ESTA paid leave time for every 30 hours worked as of the effective date above (or your start date if you are a new employee). These new paid leave rules apply to existing vacation, sick time or personal days already provided to you – they do not require new or additional paid leaves. Of course, any employee that currently receives less than the legally required paid time off will receive the legally mandated amount of paid hours/days.
- For new hires (those hired within the last 120 days), the use of your accrued paid leave time is subject to an initial 120-day waiting period, from the date of employment.
- Accrued ESTA leave time can be used in one-hour increments (or lesser increments if requested by you) with as much notice to the employer as is practicable given the circumstances of the absence.
- Once accrued, you can use up to 72 hours of ESTA leave time each year, measured on a calendar year basis and prorated for the year 2025.
- Any unused ESTA leave time will carry over from year to year, but you can only use a maximum of 72 hours in any one calendar year.
- Unused ESTA leave time is not eligible for payout at the time of separation, nor at the end of a benefit year.
- All other paid or unpaid time off provided to you by the employer is unaffected by this policy change – only ESTA paid leaves are covered by this policy update.

Employees can use accrued ESTA paid leave time for any reasons, such as personal time off without further documentation or explanation. At the employer's discretion, the following reasons for the use of ESTA paid time off can be required in the future, as per the new law:

- (a) The employee's, or family member's mental or physical illness; medical diagnosis, care or treatment of the employee's mental or physical illness, injury, or health condition; or preventative medical care for the employee.
- (b) If the employee or the employee's family member is a victim of domestic violence or sexual assault, for medical care or psychological or other counseling.
- (c) For meetings at a child's school or place of care related to the child's health or disability, or

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- (d) For the closure of the employee's place of business or child's school/care facility due to a public health emergency. **Again, the employer can simply treat your requested ESTA paid time off as paid personal days, without the requirement for you to provide an excuse for your absence.**

Please note that you will not be penalized or retaliated against in any way for requesting or using your accrued paid leave time for the purposes described here. Employees who feel as though their rights under this law have been violated can file a complaint with the Wage and Hour Division of the Michigan Department of Labor and Economic Growth.

Please direct any questions regarding this policy change to **NAME**.

Sincerely,

NAME

This document was created to aid in employer compliance with the ESTA and is not meant to be used as legal advice. The information contained herein is subject to change.

For Small Employers – 10 or Less Employees (40 Hours)

DATE

Re: New Earned Paid Leave Policy Notification

Dear NAME,

Effective October 1, 2025, **EMPLOYER'S NAME** will make the following improvements to our paid time off policies, in compliance with Michigan's new Earned Sick Time Act ("ESTA").

- ALL employees regardless of status (full-time, part-time, temporary, seasonal, hourly, salary, etc.) will begin accruing one hour of ESTA paid leave time for every 30 hours worked as of the effective date above (or your start date if you are a new employee). These new paid leave rules apply to existing vacation, sick time or personal days already provided to you – they do not require new or additional paid leaves. Of course, any employee that currently receives less than the legally required paid time off will receive the legally mandated amount of paid hours/days.
- For new hires (those hired within the last 120 days), the use of your accrued paid leave time is subject to an initial 120-day waiting period, from the date of employment.
- Accrued ESTA leave time can be used in one-hour increments (or lesser increments if requested by you) with as much notice to the employer as is practicable given the circumstances of the absence.
- Once accrued, you can use up to 40 hours of ESTA leave time each year, measured on a calendar year basis and prorated for the year 2025.
- Any unused ESTA leave time will carry over from year to year, but you can only use a maximum of 40 hours in any one calendar year.
- Unused ESTA leave time is not eligible for payout at the time of separation, nor at the end of a benefit year.
- All other paid or unpaid time off provided to you by the employer is unaffected by this policy change – only ESTA paid leaves are covered by this policy update.

Employees can use accrued ESTA paid leave time for any reasons, such as personal time off without further documentation or explanation. At the employer's discretion, the following reasons for the use of ESTA paid time off can be required in the future, as per the new law:

- (a) The employee's, or family member's mental or physical illness; medical diagnosis, care or treatment of the employee's mental or physical illness, injury, or health condition; or preventative medical care for the employee.
- (b) If the employee or the employee's family member is a victim of domestic violence or sexual assault, for medical care or psychological or other counseling.
- (c) For meetings at a child's school or place of care related to the child's health or disability, or

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- (d) For the closure of the employee's place of business or child's school/care facility due to a public health emergency. **Again, the employer can simply treat your requested ESTA paid time off as paid personal days, without the requirement for you to provide an excuse for your absence.**

Please note that you will not be penalized or retaliated against in any way for requesting or using your accrued paid leave time for the purposes described here. Employees who feel as though their rights under this law have been violated can file a complaint with the Wage and Hour Division of the Michigan Department of Labor and Economic Growth.

Please direct any questions regarding this policy change to **NAME**.

Sincerely,

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