



## SALUS GROUP

# Michigan Issues FAQs and Other Materials for Earned Sick Time Act

The Michigan Department of Labor and Economic Opportunity has published answers to frequently asked questions ([FAQs](#)) about the [Earned Sick Time Act](#) (ESTA) that will take effect Feb. 21, 2025. The department has also posted a [brochure](#) and sample [workplace poster](#) on its website, along with a recorded webinar discussing the law.

### Earned Sick Time Act

The ESTA was originally presented to the Michigan Legislature in 2018 as a ballot measure. The Legislature adopted and later amended the law, significantly narrowing the employee leave rights it provided and renaming it the [Paid Medical Leave Act](#) (PMLA). The PMLA has been in effect since 2019.

Following litigation, the Michigan Supreme Court ruled on July 31, 2024, that the Legislature's adopt-and-amend procedure violated the state constitution. The Court ordered that the ESTA—the original, more employee-friendly version of the law—go into effect Feb. 21, 2025.

### FAQs

The department has published 21 FAQs about the ESTA, addressing issues such as:

- Determining whether an employer meets the 10-employee threshold, which allows employers to limit earned sick leave to 40 hours of paid and 32 hours of unpaid leave (employers with more than 10 employees must compensate all 72 hours of paid sick leave);
- Definitions of "benefit year" and "family member";
- Carryover and use limits;
- Frontloading;
- Notice and documentation requirements for the use of earned sick time;
- Anti-retaliation provisions of the ESTA; and
- Employer penalties.

Of particular note is the information in the FAQs that employees are eligible for earned sick time under the ESTA only if the employer is required to withhold federal income taxes from them (among other requirements). In addition, the FAQs clarify that employers may establish the benefit year as any regular and consecutive 12-month period. Also of interest to employers is that their paid leave policies may comply with ESTA, if the policies provide at least the same amounts of leave for the same purposes and under the same conditions (including the accrual rate) as the new law.

Employers should note that in addition to displaying the required workplace poster, they must provide written notice of an employee's rights under the ESTA at the time of hiring or on Feb. 21, 2025, whichever is later.

Employees successfully alleging violations of the ESTA may be awarded "all appropriate relief," including earned sick time improperly withheld, any damages incurred by the employee, back pay and reinstatement.

## Important Dates

### July 31, 2024

The Michigan Supreme Court ruled that the PMLA was unconstitutional and the ESTA must be reinstated.

### Feb. 21, 2025

The ESTA takes effect, and employers must provide required notice of employee rights under the law.

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**On Feb. 21, 2025,  
the ESTA's more  
employee-friendly  
paid sick leave  
benefits take effect.**

Importantly, the FAQs note that there is a rebuttable presumption that an employer violated the act if it takes any adverse personnel action against an employee within 90 days after the employee engages in protected activity under the ESTA.

Failure to provide earned sick time is subject to a fine of \$1,000, and failure to post the required workplace notice may result in a fine of \$100 for each violation.

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