Report:
Paid Sick and Safe Leave & Paid Vacation Proposal, New York City
In 2019, small business owners in New York City are expressing concern over the increased number of expensive and burdensome mandates posed on them by government officials. At the same time, New Yorkers and visitors are expressing concern over the city's vacant storefront crisis, which has been chronicled in community newspapers to The New York Times.

While there are a variety of complex factors that make operating a small business in New York City expensive and challenging, regulatory burdens are often cited as a top concern of local business owners.

Most recently, New York City Mayor Bill de Blasio and Public Advocate Jumaane Williams proposed well-intended but concerning legislation that if enacted, would require nearly all small businesses to provide up to two-weeks paid vacation to their workers. This unfunded paid vacation mandate would be in addition to the one-week of Paid Safe and Sick Leave, and Paid Family Leave that is currently mandated by law.

Supporters of the proposed Paid Vacation law have cited reports stating that the Paid Safe and Sick Leave law enacted in 2014 resulted in negligible administrative and financial impacts on small and medium-sized businesses. One such report was conducted in 2016 by the Murphy Institute in which 382 employers were surveyed / interviewed. In response to these claims, a group of New York City chambers of commerce and business associations conducted a survey of businesses between May 28th and June 15th, 2019, to investigate the impact that this law has on their business operations. The survey also asked respondents’ opinions about the two-week paid vacation proposal.

The operators of 1471 New York City businesses responded to this survey. The respondents to the survey offer a striking contrast to those who assert the Paid Safe and Sick Leave law has had a negligible impact on business operations. The results of this survey is intended to inform policymakers and the public of the consequences these collective mandates have for many businesses, irrespective of a person’s opinion of the law, and in order inform future public policy.

We implore our elected leaders to refer to the data in this report as they consider future regulatory and legislative matters impacting small businesses, especially when they are unfunded and don’t provide meaningful offsets.

Presented by: Bronx Chamber of Commerce, Brooklyn Chamber of Commerce, Food Industry Alliance of New York (jay@fiany.com), Manhattan Chamber of Commerce, Theatre Owners of New York State, National Supermarket Association, New York City Hospitality Alliance (info@thenycalliance.org), New York State Restaurant Association (advocate@nysra.org), Queens Chamber of Commerce, Staten Island Chamber of Commerce, The Greenwich Village Chelsea Chamber of Commerce.
At a Glance

- Nearly 50% of respondents report that the paid sick leave law cost their business a significant amount of money.

- 47% of respondents report that the paid sick leave law prevented them from hiring new employees.

- Less than 10% of respondents report that the paid sick leave is not burdensome at all to administer, while 90.4% reported that it’s either burdensome or somewhat burdensome.

- 79% of small business owners can’t afford to provide employees with two-weeks paid vacation.

- 80% of small business owners are concerned they will have to lay off employees, reduce hours, or scale back operations if their business is required to provide two-weeks paid vacation.

- 93% of small business owners are opposed to an unfunded mandate for two-weeks paid vacation.
What kind of business do you operate in NYC?

- Restaurant, bar or club: 66.6%
- Other: 22.5%
- Retail store: 10.9%
In what borough is your business(es) located?

- Manhattan: 38.4%
- Brooklyn: 26.8%
- Queens: 14.0%
- Staten Island: 12.5%
- Bronx: 8.3%
Did you offer any paid sick leave to employees before the paid sick leave law took effect?

- Yes: 49.0%
- No: 40.1%
- Other: 5.8%
- My NYC business(es) opened after the paid sick leave law took effect: 5.1%
Has the paid sick leave law cost your business additional money?

- Yes, a significant amount: 49.6%
- Moderate Amount: 34.7%
- No/Negligible: 15.7%
Has the city’s paid sick leave law prevented you from hiring new employees?

- Yes: 47.4%
- No: 52.6%
Has the city’s paid sick leave law prevented you from reinvesting in your business?

- Yes: 58.7%
- No: 41.3%
When an employee takes paid time off, do you need to pay another employee to cover their shifts?

- Yes: 81.1%
- No: 6.4%
- Sometimes: 12.5%
Administering paid sick leave is which of the following?

- Burdensome: 50.6%
- Somewhat burdensome: 39.8%
- Not burden at all: 9.6%
Do you currently offer any vacation to employees? (In addition to paid sick leave)

- Yes, we offer unpaid vacation to all employees: 17.3%
- Yes, we offer paid vacation to some employees: 48.8%
- Yes, we offer paid vacation to all employees: 19.2%
- Yes, we offer unpaid some employees: 1.9%
- No, we do not offer any paid or unpaid vacation: 12.8%
How many unpaid vacation days do you offer? Based on 19.2% of respondents who offer unpaid vacation to some or all employees.

- Informal/Based upon request: 63.3%
- 11+ days: 8.3%
- 1 to 5 days: 11.7%
- 6 to 10 days: 16.7%
How many paid vacation days do you offer? Based on 68% of respondents who offer paid vacation to some or all employees.
Do you believe your business can afford providing two-weeks paid vacation to employees?

- **Not Sure**: 10.6%
- **Yes**: 10.2%
- **No**: 79.2%
Are you concerned you will have to lay off employees, reduce hours, or scale back operations if your business is required to provide two-weeks paid vacation to employees, in addition to the one-week paid sick leave you must already give?

Pie chart showing:
- **Yes**: 80.4%
- **No**: 11.8%
- **Not sure**: 7.8%
Do you think government should require that businesses provide employees two-weeks paid vacation?

- Yes: 6.4%
- Yes, but the cost should be subsidized by the government: 21.5%
- No: 72.1%