



June 23, 2025

Tanya Keith
Director, Labor Standards and Safety
Alaska Department of Labor and Workforce Development
Labor Standards and Safety Division
P.O. Box 111149
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Re: Implementing Ballot Measure 1 provisions on sick leave for workers

Dear Director Keith:

PayrollOrg offers to assist the Alaska Department of Labor and Workforce Development as it strives to implement Ballot Measure 1 on paid sick leave for workers. As a partner with government entities, PayrollOrg appreciates the effort to create regulations. Already, the frequently asked questions on your website have proven helpful.

About PayrollOrg

PayrollOrg is a nonpartisan, nonpolitical association representing over 20,000 payroll professionals who manage the payroll function for employers of all sizes and industries across the U.S. More than 100 members are physically located in Alaska and many more payroll professionals manage the pay of employees located in Alaska.

PayrollOrg is dedicated to advancing the payroll industry through education, advocacy, networking, and collaboration. Our Government Relations Task Force provides payroll professionals with the opportunity to partner with government to create efficiencies, open doors to new technologies, and provide opportunities for professional growth.

Implementation Issues

The following is a listing of questions for the Department of Labor and Workforce Development to consider when developing regulations for Ballot Measure 1.

Time to comply. PayrollOrg asks that the Department of Labor and Workforce Development allow a safe harbor period for employers to implement the paid leave requirements. While the ballot measure included a deadline of July 1, 2025, it is already mid-June and your agency has not had sufficient time to develop and implement regulations.

Coverage. Can employers establish a waiting period before paid sick leave accrues or leave is allowed, i.e., a probationary period of 90 days following employees' work start date? What determines the threshold of 15 employees for purposes of compliance? For example, how are temporary and part-time employees counted?

Notification requirements. The online FAQs explain that employers are required to notify employees in writing about available paid sick leave. Can employees be notified through electronic means?

Reporting requirements. Payroll departments need to know whether the state will require reporting of employee paid sick leave to employees and the state. For example, are there plans to amend Alaska's pay statement requirements to include paid leave as a required line item or will employers be allowed to use an electronic means of informing employees, such as an employee portal? Will the Department require an employer report indicating compliance?

Accrual methods. Payroll departments need to know whether they can use different accrual methods. For example, can an employer front-load paid sick leave for employees exempt from Alaska's overtime requirements and apply a per hour worked accrual of paid sick leave for non-exempt employees?

Rollover. The FAQs explain that an employee can carry a sick leave balance into a new year, yet the ballot measure refers to accrual and capped amounts per year. Can employers establish limits on the balance amount that can be carried over? Can employers limit the total balance an employee can maintain during the year?

Re-Hired Employees. Employers, including tribal corporations, often have many different or separate subsidiaries, i.e., each subsidiary has a different employer identification number. If a terminated employee is re-hired by a different subsidiary, such as within six months of

termination, is the employer required to continue the accrual or is the employee considered a new hire?

Exemptions. The ballot measure and FAQs explain the paid sick leave accrual required by employers of different sizes and for exempt and non-exempt employees. Are company officers and owners covered by the requirements, i.e., earning accrued paid sick leave?

PayrollOrg would be pleased to discuss payroll implementation of Ballot Measure 1 further. We can be reached at 202-669-4001 or ajacobsohn@payroll.org.

Sincerely

A handwritten signature in black ink that reads "Alice P. Jacobsohn". The signature is written in a cursive, flowing style.

Alice P. Jacobsohn, Esq.
Director, Government Relations

For: Government Relations Task Force
State and Local Topics Subcommittee
Cochairs Carlanna Livingstone, CPP; Bruce Phipps, CPP; and Alma Stewart, CPP