7 Things to Consider Offering Employees Before Your State Forces You To

May 23, 2020 6 min read

Opinions expressed by *Entrepreneur* contributors are their own.

Think your employee benefits are pretty generous? Your state may think overwise. Depending on your business location, you might be required to offer employees things like paid sick leave or PTO payouts. And if your state doesn't currently mandate certain benefits, they may in the future.

Why not start offering them now?

7 things to consider offering before your state tells you to

Determining employee compensation is arguably one of the trickiest things you do as an employer. You have to strike a balance between what workers want and what your business can afford. But as more states expand employee protections, you may not have much of a choice on what you offer your staff. Read on to get a jumpstart on state-mandated types of employee benefits.

Related: The Basics of Employee Benefits

1. A higher wage

You know about the federal minimum wage law. But how much do

you know about your state's minimum wage requirements? Only half of the states follow the federal minimum wage. The other half set a higher state minimum wage that employers must provide. So if your business is located in a state that follows the federal minimum wage, you might consider offering a higher wage to your employees. Plus, a higher wage looks pretty good when it comes to attracting and retaining employees, right?

When setting a higher-than-minimum wage, you can't just pull an arbitrary number out of a hat. More than likely, you'll need to do a bit of research to make sure that you're offering a competitive wage. That way, you can avoid both underpaying and overpaying your employees.

2. Paid sick leave

Everyone gets sick. But, there's no federal law that requires employers to give paid sick leave to employees. According to the Bureau of Labor Statistics, 44 percent of workers at businesses with fewer than 100 workers can't take a paid sick day when they're under the weather.

Related: The Myriad Benefits of Diversity in the Workplace

However, a number of states have implemented state-mandated paid sick leave laws. And, that number seems to be growing. Currently, 11 states (plus Washington, D.C.) have laws requiring eligible employers to give employees time off for qualifying situations.

If your business is in a state with a paid sick leave law, you may have no choice but to offer paid sick leave.

But if you aren't subject to paid sick leave laws, you can still choose to offer employees this great benefit … before your state potentially forces you to. By doing so, you can discourage employees from coming into work when they're sick,

protect other co-workers from catching a bug, and help boost productivity.

3. Paid family leave

Do you give your employees paid family leave? Not many employers do. In fact, only 18 percent of all private industry workers have access to paid family leave (PFL).

The states that require paid family leave treat it like unemployment insurance – employees, employers or both pay into a state fund that pays out benefits to employees when they take leave.

If your state doesn't have a PFL program, offering it to your employees could give you an edge as an employer of choice. You might consider enrolling in a paid family leave program on your own – before your state (or the federal government) passes a new law.

4. PTO payouts

If you willingly give your employees paid vacation days, your state may require you to give paid time off (PTO) payouts. PTO payouts require employers to pay employees for earned but unused time off either at the end of the year or when an employee leaves.

A number of states require employers to provide PTO payouts. And if yours doesn't, you might consider doing so of your own free will.

5. Paid jury duty leave

So, your employee has been served … with time on a jury. Do you give them paid time off while they're fulfilling their civic duty?

Related: 5 Reasons Enhanced Benefits Programs Are Good for Business

If your business is located in one of the 10 states that have jury duty compensation laws, the answer is an emphatic yes. If not, you might consider broadening your employee benefits by offering paid jury duty leave. When giving employees paid time off to attend jury duty, think about what time you'll actually pay for.

You might give partial wages, especially if your state compensates people serving on jury duty. Or, you may give paid jury duty leave for a set period of time.

6. Voting leave

Some states require employers to provide paid voting leave while others mandate unpaid leave. All in all, 30 states require time off to vote. Most states designate how long employees get off to vote, too (e.g., two hours).

Don't live in a state with voting leave laws? Consider making the executive decision and offering time to your employees anyway. Or, if your business is in a state with unpaid voting leave laws, you might offer paid time to your employees instead.

Whether you voluntarily decide to offer paid or unpaid voting leave, your employees will thank you for it. It can help them fulfill their civic responsibilities … without having to wait in line for an hour after work.

7. Time off for any reason

Only one state requires employers to give time off for any reason, and that state is Maine. Plus, Maine's bill, An Act Authorizing Earned Employee Leave, won't take effect until January 2021.

If Maine’s paid time off for any reason law is anything like paid sick leave and family leave laws, other states may start implementing similar requirements.

Again, this is all just something to mull over. But you absolutely need to know your state’s laws and whether they affect you. Only then can you consider voluntarily offering non-mandated benefits … before your state forces you to.

https://www.entrepreneur.com/article/348946