

July 11, 2017

TO: SAN Ground Operations, Provisioning and Cargo Covered Employees

FROM: Tom Starr, Robin Schanbarger, and Joe Bonsu

SUBJECT: City of San Diego Earned Sick Leave and Minimum Wage Ordinance

Effective July 1, 2017, California Protected Sick Leave ("PSL") allotments, as well as normal paid sick hours, will be frontloaded for each SAN covered/contract Employee on January 1 of each year. Full-time Employees will begin the year with an allotment of 48 hours and part-time Employees begin the year with an allotment of 40 hours. This change is being made in an effort to comply with San Diego's Earned Sick Leave and Minimum Wage Ordinance, which has unique requirements when compared to other sick leave laws in California.

This does not mean that SAN covered Employees will receive additional PSL or paid sick hours each year. It simply means they will have their PSL and paid sick hours adjusted by having them frontloaded and available for use beginning in January, rather than having them allotted on a monthly basis.

As you will recall for the current year, each Employee began January with 24 hours of PSL and accrued an additional 4 hours on the first day of each month until they reached the full allotment. Part-time Employees reached their full allotment of 36 hours on April 1; full-time Employees reached their full allotment of 48 hours as of July 1. Part-time Employees will receive an additional 4 hours to bring their yearly total up to 40 hours. This means that as of July 1, 2017, all SAN Employees will have received at least 40 PSL and paid sick hours, in compliance with the San Diego Ordinance. To the extent any Employee would have accrued more PSL under the Ordinance's "1 hour per 30 hours worked" method prior to July 1 and been able to protect additional hours than they could under the prior allotment method, Southwest will consider such cases on an individual basis.

There are no further changes in the application of PSL or paid sick hours other than those mentioned above. Keep in mind that in order to use this protection, you must have enough protected sick hours and paid sick hours to cover the entire absence. If you do not have enough hours to cover the entire absence, all attendance rules will apply.

Thanks and let us know if you have any questions.

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Labor Relations