

Paid Time Off (PTO) and Sick Leave Policies: Key Drafting Tips (CA)

A Practical Guidance® Practice Note by
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This Practical Guidance note emphasizes the importance of drafting compliant and equitable paid time off (PTO) and sick leave policies in California. Employers must ensure policies meet the minimum statutory requirements under the Healthy Workplaces, Healthy Families Act (HWHFA).

Policies should allow leave for health-related needs, care for family members, and specific situations like domestic violence or emergencies. Employers must also ensure non-discrimination by applying neutral factors, such as tenure or hours worked, to accrual and usage rules, and by accommodating disabilities and religious observances.

The guidance highlights the interaction between HWHFA, the California Family Rights Act (CFRA), and the Family and Medical Leave Act (FMLA). Clear written policies, proper tracking systems, and HR training are essential to ensure compliance and mitigate risks.

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Douglas Yang, Partner, Sheppard, Mullin, Richter & Hampton LLP

Doug has a multi-faceted advisory and litigation practice, spanning multiple industries and clients ranging from startups to multinational corporations. Focusing primarily on data governance and employment matters, Doug assists organizations in dealing with complex risk prevention and mitigation issues.

Areas of Practice

Litigation

Doug is an accomplished litigator with extensive experience in both federal and state courts, and an active arbitration practice before all major arbitration associations. Representative matters include defending employers in class and representative actions, which range from the typical “kitchen sink” set of claims to some of the most intricate lawsuits involving challenging factual issues and novel legal arguments; prosecuting and defending against trade secret theft and misappropriation cases involving C-suite executives, technical personnel, and salespersons; handling disputes between executives, founders and their companies; and litigating government agency enforcement actions.

Advisory

Doug is frequently called upon by clients to advise on various contentious and non-contentious matters related to data governance and employment issues. Common areas of retention include organizational policy reviews and overhauls, internal investigations, incident response, and workforce training. He has also served as the employment law expert on various transactions involving multi-state employers in highly regulated sectors, particularly the healthcare industry. Doug is an IAPP Certified Information Privacy Professional (CIPP/US).

Background

Prior to joining Sheppard Mullin, Doug served as a law clerk to the Honorable Helen Gillmor of the U.S. District Court for the District of Hawaii. While in law school, he served as the Executive Editor of the Boston University Public Interest Law Journal.

Doug is a member of the Los Angeles County Bar Association's Judicial Appointments Committee and Amicus Briefs Committee. He has presented as a guest speaker for the UCLA School of Law and has written various articles for multiple legal industry publishers, including LexisNexis and the Los Angeles Daily Journal.

Dimiana Saad, Associate, Sheppard, Mullin, Richter & Hampton LLP

Dimiana Saad is an associate in the Labor and Employment Practice Group in the firm's Los Angeles office.

Areas of Practice

Employment Litigation and Counseling

Dimiana represents and advises employers in a wide array of labor and employment subject areas including: sexual harassment, discrimination, hostile work environment, retaliation, wrongful termination, hiring and separation, performance management, employee handbooks and policies, and paid leave and sick time laws and policies. She is also an experienced litigator and trial attorney, defending employers in single-plaintiff and complex wage and hour class action litigation. She has experience drafting all types of employment agreements and policies, including employee handbooks, confidentiality and non-disclosure agreements, and severance agreements.

Dimiana represents employers in state and federal courts, as well as administrative agencies, such as the Department of Labor, the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, the Division of Labor Standards Enforcement and the National Labor Relations Board.

Trial: Dimiana has demonstrated notable success in trial settings early in her career. Shortly after completing her first year of practice, she obtained a complete defense verdict in favor of the firm's long-time client in the hospitality industry following a jury trial in Los Angeles Superior Court. During her second year, Dimiana successfully represented a pro bono client facing persecution based on gender identity and forced marriage. The complex ten-year matter concluded with a comprehensive four-hour bench trial in immigration court, resulting in a grant of asylum for the client.

Workplace Investigations: Dimiana is an experienced workplace investigator. She has conducted high-profile investigations into alleged misconduct by senior executives in the healthcare industry involving hundreds of allegations and witnesses. She has also investigated numerous complaints by union employees regarding alleged misconduct by the managers of a specialty manufacturing company.

Training: Dimiana also helps provide anti-harassment, discrimination, and retaliation employee trainings on behalf of clients.

Activities

Diversity, Equity & Inclusion

Dimiana is a champion for Diversity and Inclusion. She works in collaboration with firm leadership and the Diversity and Inclusion Attorney Network (“DIAN”) to advance the firm's commitment to foster diversity and inclusion for its attorneys, its clients and the legal profession. Before completing her second year of practice, she co-founded Sheppard Mullin's Middle Eastern and North African Lawyer Network (“MENALN”). As a member of the Law Student and Mentorship Committee of the National Arab American Bar Association, she strives to promote the Arab American legal community through networking, mentorship and community service.

Recruiting

Dimiana is a member of the firm's Los Angeles Recruiting Committee. In addition to interviewing and evaluating candidates, Dimiana plans and organizes social events for the summer associates by serving on the Summer Program Planning Committee.

Artificial Intelligence

Dimiana collaborates with the firm's Artificial Intelligence team and vendors to develop and train her colleagues on best practices for using a variety of AI tools to better serve the firm's clients, grow the firm's business, and promote the professional development of the firm's attorneys.

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