

**GRAND TRAVERSE PAVILIONS
EARNED SICK TIME ACT (ESTA) POLICY**

Effective Date: February 21, 2025 (or as otherwise mandated by final judicial or legislative action)

Last Revised: 12/10/2024

Policy Owner: Human Resources Department

Approved By: CEO/Administrator

1. Purpose and Scope

1.1 Purpose. The purpose of this policy is to comply in full with the requirements set forth under the Michigan Earned Sick Time Act (“ESTA”), MCL 408.961 et seq., effective on or about February 21, 2025, and to provide comprehensive guidelines for the accrual, use, management, recordkeeping, and enforcement of earned sick time. Grand Traverse Pavilions, a Michigan-based employer with more than 10 employees, is obligated to provide earned sick time to covered employees in accordance with the ESTA’s provisions. This policy is intended to be read and interpreted consistent with the Act and any applicable regulations, rules, or official guidance issued by the Michigan Department of Labor and Economic Opportunity (“LEO”) or its successors.

1.2 Scope and Applicability.

(a) **Non-Union Employees (February 21, 2025–December 31, 2027):** From the effective date of ESTA (February 21, 2025, or as otherwise directed by law) until December 31, 2027, this policy applies exclusively to all non-union employees of Grand Traverse Pavilions. Such employees include full-time, part-time, temporary, seasonal, and any other categories of employees not covered by a collective bargaining agreement in effect as of that time.

(b) **All Employees (January 1, 2028 and Thereafter):** Effective January 1, 2028, when the current collective bargaining agreement (CBA) covering unionized employees expires, this policy shall extend to cover all employees, including those formerly represented by a union and subject to the terms of the CBA. As of that date, there shall be no distinction between union and non-union employees for purposes of ESTA compliance.

1.3 Relationship to Other Laws and Policies.

(a) This policy shall be administered in a manner consistent with the ESTA, MCL 408.961 et seq., and shall be interpreted, wherever possible, to provide the fullest protection to employees as required by law.

(b) Where conflicts arise between this policy and other company policies or benefit plans, the provisions of ESTA and this policy shall control.

(c) Nothing in this policy shall diminish or reduce any rights or benefits provided to employees under any other law (including, without limitation, the federal Family and Medical Leave Act (“FMLA”), the Americans with Disabilities Act (“ADA”), the Michigan Persons with Disabilities Civil Rights Act), any applicable collective bargaining agreement (until it expires), or any employer-sponsored leave or benefit program that provides greater rights or benefits to the employee.

2. Definitions

2.1 “ESTA” shall mean the Michigan Earned Sick Time Act, MCL 408.961 et seq., as enacted by Initiated Law 1 of 2018 and effective February 21, 2025, including any subsequent official interpretations, rules, or guidance issued by the Michigan LEO or a court of competent jurisdiction.

2.2 “Employee” shall mean any individual employed by Grand Traverse Pavilions, regardless of status (full-time, part-time, seasonal, temporary), who meets the definition of “employee” under the ESTA and is not excluded by the Act’s provisions. As of January 1, 2028, this includes both union and non-union employees.

2.3 “Employer” or “Grand Traverse Pavilions” shall mean Grand Traverse Pavilions and any successor in interest or affiliated entity meeting the statutory definition of employer under ESTA.

2.4 “Family Member” shall include, for purposes of ESTA leave:

- A child (biological, adopted, foster, stepchild, legal ward, or a child to whom the employee stands in loco parentis).
- A parent (biological, foster, step, adoptive, or legal guardian of an employee or the employee’s spouse; or a person who stood in loco parentis when the employee was a minor child).
- A spouse (as defined by Michigan law and any applicable federal definition).
- A grandparent, grandchild, or sibling.
- Any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, as defined in MCL 408.962(d).

2.5 “Earned Sick Time” or “ESTA Leave” shall mean accrued hours of compensated leave time earned by the employee pursuant to ESTA and this policy, to be used for any qualifying purpose as set forth in Section 4 below.

2.6 “Benefit Year” shall mean a regular and consecutive 12-month period as designated by Grand Traverse Pavilions. For the sake of clarity and administrative convenience, the benefit year for ESTA purposes shall be a rolling consecutive twelve-month period.

3. Accrual of ESTA Leave

3.1 Accrual Rate.

Pursuant to ESTA (MCL 408.963), employees shall accrue Earned Sick Time at the rate of at least one (1) hour of ESTA leave for every thirty (30) hours worked. Hours worked include all hours actually worked on behalf of the employer, but do not include non-worked paid time such as vacation, ETO, holiday pay, or other paid leaves not worked.

3.2 Maximum Accrual.

The employee is entitled to accrue up to a minimum of 72 hours of ESTA leave per benefit year (or such other greater amount as ESTA or subsequent regulation may require).

3.3 Commencement of Accrual.

Accrual of ESTA leave commences on the employee's first day of actual work (or February 21, 2025, whichever is later) for non-union employees, and on January 1, 2028, for those formerly covered by a CBA, unless ESTA requires an earlier accrual commencement.

3.4 Eligibility to Use Accrued ESTA Leave.

Employees shall be entitled to begin using accrued ESTA leave on the 90th calendar day of employment. Prior to the 90th day, employees may accrue but not use ESTA leave unless ESTA mandates earlier usage rights. If the law or its subsequent interpretation entitles employees to use leave earlier, Grand Traverse Pavilions will comply with that standard.

3.5 Carryover of Unused ESTA Leave.

At the end of each benefit year, an employee may carry over accrued, unused ESTA leave to the following benefit year up to a total carryover of 72 hours. If, in the future, rules or guidance alter carryover requirements, the employer shall comply by carrying over the amount required by law.

3.6 No Waiver of Accrual.

Grand Traverse Pavilions will not enter into any agreement to waive the statutory accrual requirements unless expressly permitted by ESTA and done in compliance with all statutory and regulatory requirements.

3.7 No Payout or Cashout

Accrued Sick Leave per ESTA may not be cashed out, and may not be paid out at the end of employment.

4. Qualifying Reasons for ESTA Leave Use

4.1 Personal Health Needs.

Employees may use ESTA leave for the employee's own:

- (a) Physical or mental illness, injury, or health condition;
- (b) Need for medical diagnosis, care (including preventative care), treatment, or recovery related to any such condition;
- (c) Any other medical reasons specified under MCL 408.962(k)(i).

4.2 Family Member Health Needs.

Employees may use ESTA leave to care for a family member who is:

- (a) Experiencing a physical or mental illness, injury, or health condition;
- (b) Requiring medical diagnosis, care (including preventative care), treatment, or recovery related to such condition.

4.3 Public Health Emergencies.

Employees may use ESTA leave if the employee's place of business has been closed by order of a public official due to a public health emergency, or if the employee's child's school or place of care has been closed by order of a public official due to a public health emergency. Employees may also use ESTA leave if they or a family member have been exposed to a communicable disease and would jeopardize the health of others by being present in the community.

4.4 Domestic Violence, Sexual Assault, or Stalking.

Employees may use ESTA leave to:

- (a) Seek medical attention for physical or psychological injury or disability caused by domestic violence, sexual assault, or stalking;
- (b) Obtain services from a victim services organization;
- (c) Obtain psychological or other counseling;
- (d) Seek relocation due to domestic violence, sexual assault, or stalking;
- (e) Take legal action, prepare for or participate in any criminal or civil legal proceeding, or obtain injunctive relief to ensure the health and safety of the employee or the employee's family member; or
- (f) Engage in any other activities necessary due to domestic violence, sexual assault, or stalking, as provided by MCL 408.962(k)(iii).

4.5 Child and Family-Related Events.

Employees may use ESTA leave to attend school-related meetings or functions for a child, including but not limited to Individualized Education Program (IEP) meetings, parent-teacher conferences, school counseling sessions, or meetings related to the child's health, disability, nutrition, or special needs.

4.6 Unexpected Illness or Injury.

If an employee is unexpectedly incapacitated and is unable to call in before a shift (resulting in a "no-call, no-show"), but later provides documentation or a credible explanation that the absence was due to a qualifying ESTA reason, the absence shall be retroactively designated as ESTA leave. For example, if an employee was hospitalized unexpectedly, rendering them incapable of calling in, and later supplies a doctor's note verifying this fact, the absence will be treated as ESTA-covered.

4.7 Inclusive, Non-Exhaustive List.

This policy's list of qualifying reasons is intended to be exhaustive and all-encompassing within the meaning of the ESTA. If new scenarios arise that fit within the broad categories of qualified reasons under MCL 408.961 et

seq., Grand Traverse Pavilions will interpret these reasons liberally in favor of coverage. Examples include, but are not limited to:

- Preventative dental cleanings or annual physicals for the employee or a family member.
- Attending court-ordered hearings related to family welfare or safety.
- Addressing the health implications of a widespread influenza outbreak or COVID-19 pandemic scenario.
- Handling mental health treatment appointments or substance abuse counseling sessions.
- Engaging in tasks related to the health and safety of a child, parent, spouse, or other family member equivalent.

5. Infection Prevention Reporting Requirements

5.1 Skilled Nursing Facility Environment.

As a skilled nursing facility, Grand Traverse Pavilions must ensure the health and safety of vulnerable residents. To that end, when requesting ESTA leave due to personal illness, the employee is required, to the extent consistent with law, to inform Human Resources and/or the designated attendance line of the general nature of their symptoms (e.g., fever, cough, sore throat, gastrointestinal distress, rash, etc.). This information assists in infection control tracking and proactive measures to protect residents and staff.

5.2 Confidentiality.

Medical information disclosed by employees will be kept confidential in compliance with all applicable laws, including HIPAA where applicable. Symptom details will not be used to discourage ESTA usage and will not lead to retaliation or discrimination against the employee.

5.3 Infection Prevention Integration.

HR and Nursing Administration shall review reported symptoms daily to identify potential clusters or patterns that may indicate an outbreak. The employee's privacy shall be maintained, and information used solely for preventive and containment measures as authorized by law. Under no circumstances will the disclosure of symptoms disqualify an employee from using ESTA leave or result in disciplinary action.

6. Procedures for Requesting and Using ESTA Leave

6.1 Foreseeable Leave Requests.

When the need to use ESTA leave is foreseeable (e.g., scheduled medical appointments, planned IEP meetings), employees must provide notice at least seven (7) calendar days in advance or as soon as is practicable. Advance notice ensures proper staffing and scheduling without infringing upon employee rights.

6.2 Unforeseeable Leave Requests.

When the need for ESTA leave is not foreseeable (e.g., sudden illness, urgent domestic violence situation), the employee shall provide notice to the designated attendance line or supervisor as soon as practicable, ideally at least one (1) hour before the shift start, unless extenuating circumstances prevent timely notice. If the employee is incapacitated and unable to call, a family member or other representative may call on their behalf.

6.3 Call-In Procedures.

Employees must use the established attendance line or designated call-in procedure to report all unscheduled absences. The call-in must include:

- (a) Employee's name and position;
- (b) The reason for absence in general terms;
- (c) The expected duration of the absence, if known.

6.4 Documentation for Absences of Three (3) or More Consecutive Days.

If an employee uses ESTA leave for three or more consecutive workdays, Grand Traverse Pavilions may require reasonable documentation confirming that the leave was taken for a qualifying reason. Acceptable documentation may include:

- (a) A signed note from a healthcare provider indicating treatment or diagnosis;
- (b) A court order, police report, or documentation from a victim services organization in the case of domestic violence or sexual assault;
- (c) For public health emergencies, documentation demonstrating that the school, workplace, or childcare provider was closed, such as a copy of a public official's order.

6.5 Cost of Documentation.

If obtaining documentation requires the employee to incur additional unreimbursed costs (e.g., a co-pay for a doctor's visit solely for the purpose of obtaining a note), Grand Traverse Pavilions will reimburse the employee for these expenses upon presentation of receipts. The employee should make a good faith effort to minimize costs. The Company will not request more stringent documentation than is permissible under ESTA and associated regulations.

6.6 Timing of Documentation.

Documentation must be provided within a reasonable period after the request, typically within seven (7) calendar days of the employee's return to work, unless it is not practicable under the circumstances.

6.7 Retroactive Designation in Cases of No-Call, No-Show.

If the employee was unable to give notice due to a severe medical emergency or other qualifying reason and was marked as a no-call, no-show, the employee may, within a reasonable timeframe upon return, present documentation or a credible explanation. Upon verification, the absence shall be reclassified as ESTA leave, and any disciplinary action for the no-call, no-show shall be rescinded.

7. Prohibited Practices: Attendance Points and Discipline

7.1 No Attendance Points for ESTA-Protected Absences.

ESTA leave is a legally protected form of leave. As such, Grand Traverse Pavilions shall not assign attendance points, mark the absence as unexcused, or issue discipline for any absence covered under ESTA. Management is strictly prohibited from penalizing employees for exercising their statutory rights.

7.2 Non-Retaliation.

No employee shall be subject to retaliation or discrimination for using, or attempting to use, ESTA leave. Adverse actions prohibited by law and this policy include, but are not limited to: discipline, demotion, reduction in hours, denial of promotions, reassignment to less favorable positions, or harassment based on the use or request of ESTA leave.

8. Maximum Annual Usage

8.1 Annual Usage Cap.

Employees are entitled to use up to 72 hours of ESTA leave in a benefit year, or such additional hours as mandated by ESTA. If federal, state, or local law requires a larger annual usage limit, the larger limit will apply.

8.2 Additional Usage Beyond Minimum Requirements.

While the law sets minimum standards, Grand Traverse Pavilions reserves the right, if it so chooses, to offer more generous leave than the minimum required by ESTA. Any such decision will be communicated in writing and does not waive the right to revert to the statutory minimum in subsequent benefit years, barring legally binding commitments.

9. Concurrent Use with FMLA, Workers' Compensation, and Other Leaves

9.1 FMLA Overlap.

If an absence qualifies for both FMLA leave and ESTA leave, the leaves may run concurrently, at the employee's election or if permitted by law, provided the employee is eligible for FMLA. The employee may choose to use ESTA leave to remain in paid status during an otherwise unpaid portion of FMLA. No requirement shall be imposed forcing the employee to exhaust ESTA leave before using FMLA unless ESTA permits such a requirement.

9.2 Workers' Compensation Overlap.

If an employee receives Workers' Compensation benefits for a work-related injury or illness, Grand Traverse Pavilions shall not require the employee to use ESTA leave concurrently. However, if the employee wishes to supplement Workers' Compensation payments with ESTA leave in order to receive full wage replacement, the employer shall allow it to the extent permitted by law.

9.3 Coordination with Other Paid Leave.

ESTA leave is a separate and distinct leave right guaranteed by law. It shall be tracked separately from Earned Time Off (ETO), vacation, personal days, or other employer-provided leave. Employees are free to use ESTA leave before using other forms of accrued paid leave unless the law prohibits such arrangement.

10. Recordkeeping and Tracking

10.1 Separate Tracking of ESTA Leave.

Grand Traverse Pavilions shall track ESTA leave separately from all other forms of leave (including ETO). Human Resources will maintain accurate and contemporaneous records showing the amount of ESTA leave accrued and used by each employee, as well as the carryover amounts and leave balances available at any given time.

10.2 Employee Access to Records.

Upon written request, employees shall be provided with a statement indicating the amount of ESTA leave accrued and used, and the amount remaining in the current benefit year.

10.3 Confidentiality of Records.

Medical and health-related information obtained under this policy, including symptom disclosures required by the infection control measures, shall be maintained in confidential files separate from the employee's personnel file. Access to these records shall be restricted to individuals with a legitimate need to know, such as HR and management personnel responsible for compliance or infection control, and shall be released only as permitted or required by law.

10.4 Retention Period.

Records required under ESTA shall be retained for a minimum of three (3) years from the date of creation or for the period required by applicable law, whichever is longer. If litigation, audit, or investigation related to these records is ongoing, records shall be retained until the final resolution of the matter.

11. Employee Notification and Training

11.1 Notice to Employees.

On or before February 21, 2025, and again on January 1, 2028, and periodically thereafter, Grand Traverse Pavilions shall provide written notice to employees of their rights under ESTA. Such notice shall be posted in conspicuous places at the worksite, included in employee handbooks, distributed electronically, and available upon request in multiple languages as needed.

11.2 Training of Management and Supervisors.

Managers and supervisors shall receive thorough training on ESTA requirements, the procedures for approving ESTA leave, recordkeeping, non-retaliation, and infection prevention procedures. They shall be instructed on the strict prohibition against discouraging employees from using ESTA leave or penalizing them for doing so.

12. Non-Retaliation and Enforcement

12.1 Non-Retaliation Guarantee.

Pursuant to the Michigan Earned Sick Time Act (ESTA) and this Policy, retaliation against any employee for exercising or attempting to exercise their rights under ESTA is strictly prohibited. Adverse actions that violate this provision include, but are not limited to, suspension, demotion, reduction of hours, denial of promotion, reassignment to a less favorable position, threats, intimidation, discipline, or any other discriminatory acts that would dissuade a reasonable person from exercising rights protected by ESTA. Any employee who believes they have been subjected to retaliation shall immediately report the matter to the Human Resources Department or the General Counsel's Office for prompt and thorough investigation. Confirmed instances of retaliation will result in appropriate remedial measures, including, but not limited to, disciplinary action up to and including termination of the offending party's employment, restoration of benefits, and other equitable remedies as required by law.

12.2 Internal Grievance Procedures.

Employees who have concerns regarding the denial of ESTA leave, the appropriateness of documentation requests, or the administration of any other aspect of this Policy are encouraged to utilize Grand Traverse Pavilions' internal complaint resolution process as a first step. Utilizing internal grievance mechanisms provides a constructive avenue to resolve disputes efficiently, often without the need for external intervention. Employees shall not suffer any reprisals, adverse treatment, or retaliation for raising grievances or concerns related to ESTA compliance. The Human Resources Department will handle all such grievances expeditiously, fairly, and in good faith.

12.3 External Enforcement.

It is acknowledged that employees maintain the right under ESTA and applicable law to pursue external enforcement channels if they believe their rights have been violated. This may include filing a complaint with the Michigan Department of Labor and Economic Opportunity (LEO), Wage and Hour Division, or pursuing civil remedies in courts of competent jurisdiction. Grand Traverse Pavilions remains committed to good faith compliance and will fully cooperate with any official investigations, audits, or proceedings initiated by governmental entities. However, to the fullest extent permitted by law, and subject to Section 12.4 (Arbitration of Disputes), the Employer endeavors to resolve disputes through arbitration, thereby providing a neutral, less adversarial, and more cost-effective dispute resolution forum.

12.4 Arbitration of Disputes.

(a) Scope and Agreement to Arbitrate:

Except as otherwise provided by law or specifically excluded in this subsection, any and all disputes, claims, or controversies arising out of or relating to the interpretation, application, enforcement, or alleged violation of the Earned Sick Time Act (ESTA), MCL 408.961 et seq., this ESTA Policy, and any other claims arising under or related to the employee's entitlement to, or use of, earned sick time under ESTA (including claims of retaliation, discrimination, or wrongful denial of leave), shall be resolved exclusively by final and binding arbitration. The parties to this agreement are Grand Traverse Pavilions (the "Employer") and any employee covered by this Policy. By continuing employment with the Employer after the effective date of this Policy, the employee acknowledges and agrees to the arbitration requirement herein, to the maximum extent allowed by law.

(b) Excluded Claims:

Notwithstanding the foregoing, this arbitration clause shall not preclude an employee from filing an administrative charge or complaint with a federal, state, or local agency authorized to enforce employment laws, such as the Michigan Department of Labor and Economic Opportunity. Further, to the extent that applicable law prohibits mandatory arbitration of certain types of claims or provides employees an unwaivable

right to pursue claims in court, those claims shall be excluded from arbitration. This arbitration agreement does not limit employees' rights to any remedies, rights, or protections provided under ESTA or other applicable law; it only specifies the forum in which those claims may be resolved.

(c) Applicable Law and Arbitration Rules:

The arbitration shall be conducted pursuant to the Federal Arbitration Act (FAA), 9 U.S.C. §§ 1-16, which shall govern the interpretation, enforcement, and proceedings under this arbitration agreement. To the extent the FAA does not apply, Michigan arbitration law shall govern. Unless the parties mutually agree otherwise, arbitration shall be administered by a reputable and neutral arbitration provider, such as the American Arbitration Association (AAA) or a comparable entity, in accordance with its then-current Employment Arbitration Rules and Procedures. Where there is a conflict between the AAA rules and this Policy, the terms of this Policy shall control.

(d) Selection of Arbitrator:

The parties shall select a single, neutral arbitrator experienced in labor and employment matters. The arbitrator shall be either agreed upon by the parties or selected from a list of qualified arbitrators provided by the designated arbitration agency, following a process of striking and ranking candidates. The arbitrator shall have no known conflicts of interest and shall not have any existing or prior relationship with either party or their counsel that could reasonably be expected to affect impartiality.

(e) Location and Conduct of Arbitration:

The arbitration shall take place in the county where Grand Traverse Pavilions is primarily located (currently Grand Traverse County, Michigan), unless the parties mutually agree to a different location. All proceedings shall be conducted in English. The arbitration shall be conducted in a private setting, and to the extent allowed by law, the existence, content, and outcome of the arbitration shall be treated as confidential by all participants.

(f) Costs and Fees:

Each party shall bear its own attorneys' fees, witness fees, and other costs, unless a specific statute, including ESTA, authorizes or requires the arbitrator to award attorneys' fees and/or costs to a prevailing party. The Employer will pay all arbitrator's fees and any administrative costs charged by the arbitration provider to the extent required by law to ensure the enforceability of this arbitration clause. If applicable law or the arbitration administrator's rules require the Employer to cover additional fees or costs to make arbitration accessible and fair, the Employer shall do so.

(g) Powers and Authority of the Arbitrator:

The arbitrator shall have the authority to award all remedies, compensatory damages, injunctive relief, attorneys' fees, and other relief available under ESTA or other applicable law. The arbitrator shall apply the substantive law and statutes of limitation that would apply in a court of competent jurisdiction and shall not have the power to apply any different substantive law. The arbitrator's decision shall be final and binding on both parties, and judgment on the arbitrator's award may be entered in any court having jurisdiction.

(h) Severability and Enforceability:

If any portion of this arbitration clause is found to be unenforceable or invalid under applicable law, such portion shall be severed or modified so that the arbitration clause may be enforced to the maximum extent allowed by law. The parties specifically agree that this arbitration agreement does not waive or limit any rights, remedies, or protections provided under ESTA, except that it requires resolution of eligible disputes through arbitration rather than litigation in court (except where prohibited by law).

(i) Voluntary Agreement & No Retaliation:

Employees are not required to sign a separate arbitration agreement for this clause to apply. Continued employment at Grand Traverse Pavilions after the effective date of this Policy constitutes acceptance of this arbitration clause. The Employer will not retaliate or discriminate against employees who choose to enforce their rights under ESTA through the arbitration process set forth herein, or who decline to participate in arbitration where the law provides a right to choose a different forum.

13. Frequently Envisioned Scenarios and Illustrations

13.1 Routine Medical Appointment:

Employee schedules a preventative care dental cleaning two weeks in advance. The employee gives notice seven days prior. The leave is approved as ESTA leave.

13.2 Sudden Illness:

Employee wakes up with a high fever and cannot report to work safely. They call in one hour before the shift, report “flu-like symptoms,” and use their accrued ESTA hours. No attendance points are assigned.

13.3 Three-Day Consecutive Absence with Doctor’s Note:

Employee is out for three consecutive days due to bronchitis. Upon returning, HR requests a doctor’s note. The employee obtains it, and the Company reimburses the employee’s co-pay, if any, that was solely for obtaining documentation. The absence is fully covered under ESTA.

13.4 Domestic Violence Court Hearing:

Employee needs to attend a court hearing related to a protective order. Employee provides as much notice as possible, and upon return, provides a court summons as documentation. ESTA leave is granted without retaliation.

13.5 No-Call, No-Show Due to Emergency Hospitalization:

Employee fails to call in due to sudden appendicitis and emergency surgery. They provide hospital discharge paperwork upon return. The absence is retroactively covered under ESTA, and any previously assessed attendance penalty is rescinded.

13.6 IEP Meeting for Child:

Employee’s child has a scheduled IEP meeting at school. The employee gives notice at least seven days in advance. ESTA leave is used without issue.

13.7 Public Health Closure:

Local health department orders closure of the facility due to a communicable disease outbreak. Employee scheduled to work may use ESTA leave for the day(s) of closure, consistent with public health emergency provisions.

13.8 Convergence with FMLA:

Employee qualifies for FMLA leave due to a serious health condition. The employee elects to use ESTA leave concurrently for partial wage replacement while on FMLA. The leaves run concurrently to the extent permitted by law.

13.9 Workers’ Compensation Supplemental Use:

Employee is on Workers’ Compensation for a work-related injury. The employee chooses to use ESTA hours to supplement partial disability payments to reach full pay. This is permitted and administered as requested by the employee.

14. Policy Review and Revisions

14.1 Annual Review.

This policy shall be reviewed at least annually by the Human Resources Department in consultation with the General Counsel, and updated as necessary to ensure full compliance with changes in the law, administrative guidance, or court decisions interpreting ESTA.

14.2 Employee Notification of Changes.

If any material change is made to this policy, employees shall be notified promptly. Updated versions shall be posted, distributed, and incorporated into training materials and employee handbooks.

15. Severability

If any provision of this policy or the application thereof is held invalid by any court of competent jurisdiction, the invalidity shall not affect other provisions or applications of this policy that can be given effect without the invalid provision or application. The provisions of this policy are severable, and its remaining provisions shall remain in full force and effect.

16. Effective Date and Transition

16.1 Effective Date for Non-Union Employees:

This policy becomes effective for non-union employees as of February 21, 2025, or such other date as ESTA is confirmed to take effect by final judicial or legislative action.

16.2 Extension to Union Employees:

Effective January 1, 2028, or upon expiration of the current CBA, whichever is later (if permitted by law and not otherwise delayed by legal proceedings), this policy shall extend to all employees, including those previously covered by union agreements.