

Certain Federal Government Contractors Must Provide Employees With Paid Sick Leave

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On Labor Day 2015, President Obama signed a new Executive Order that will require federal contractors to provide their employees with paid sick leave. The Executive Order takes effect for new contracts signed beginning in 2017.

The White House estimates that the Executive Order will give approximately 300,000 workers access to paid sick leave.

Employees of federal contractors will be entitled to a minimum of one hour of paid sick leave for every thirty hours worked. Total accrued paid sick leave may be limited to fifty-six hours. Accrued leave carries over from one year to the next, and employees rehired by a covered contractor within 12 months of a job separation are entitled to have their accrued leave reinstated. Covered contractors are not, however, required to make any financial payment to employees for accrued but unused sick leave upon a separation from employment.

The leave can be used for an employee's absence resulting from their own illness, injury, or medical condition or to obtain a diagnosis or care or preventative care from a health care provider. It may also be used to care for a family member, including a child, parent, spouse, or domestic partner or "any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship." Covered employees may also use earned leave for absences from work resulting from domestic violence, sexual assault, or stalking. A contractor may only require certification from a health care provider, or other appropriate individual or organization, if leave is used for three or more consecutive days.

The Executive Order also prohibits covered contractors from interfering with, discriminating against, or retaliating

against an employee for taking, or attempting to take, paid sick leave provided for under the order or for asserting, or assisting any other employee in asserting, any right or claim related to the order.

The Executive Order applies only to federal contracts that are: procurement contracts for services or construction; contracts for services covered by the federal Service Contract Act; contracts for concessions; or certain contracts entered into with the federal government in connection with federal property or lands; and where the wages of employees under the contract are governed by the Davis-Bacon Act, the Service Contract Act, or the Fair Labor Standards Act. Regulations implementing the Executive Order are anticipated by September 30, 2016. If you have any questions about how this order could affect your organization, please contact Scott Ohnegian, Dan Zappo, or any member of Riker Danzig's Labor & Employment Group.

Attorneys:

Scott A. Ohnegian · Adam J. McInerney · Fiona E. Cousland

Practice:

Labor & Employment Law