

Are You Covered by the Federal Paid Sick Leave Law for Federal Contractors?

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Are You Covered by the Federal Paid Sick Leave Law for Federal Contractors?

By Megan G. Holstein and Laura A. Mitchell on March 12, 2018

As paid sick leave laws continue to pass across the nation, as recently seen in Austin, Texas, employers have focused on complying with the various state and local jurisdictions' paid sick leave requirements . However, employers may forget, or might have to totally missed, that there is a federal paid sick leave law. Executive Order 13706, Paid Sick Leave for Workers on Federal Contracts (hereinafter called "Federal Contractor Paid Sick Leave Law"), requires that covered federal contractors provide paid sick and safe leave for qualified reasons to eligible employees. Eligible employees can use this time for their own health care, a family member's health care, and certain needs related to domestic violence, sexual assault, stalking.

What Employers are Covered?

The Federal Contractor Paid Sick Leave Law covers certain employers who are federal contractors. A "contractor" means any individual or other legal entity that is awarded a Federal Government contract or subcontract under a Federal Government contract. The term "contractor" refers to both a prime contractor and all of its subcontractors of any tier on a contract with the Federal Government. Specifically, the Paid Sick Leave Executive Order applies to the following types of contracts and subcontracts, effective on or after January 1, 2017:

1. procurement contracts for construction covered by the Davis-Bacon Act (DBA);
2. services contracts covered by the Service Contract Act (SCA);
3. concessions contracts, including any concessions contract excluded from the SCA by DOL's regulations at 29 CFR 4.133(b);
4. contracts in connection with federal property or lands and related to offering services for federal employees, their dependents, or the general public.

How Much Paid leave is Required?

An employee must accrue a minimum of 1 hour of paid sick leave for every 30 hours worked on or in connection with a covered contract. A contractor must aggregate an employee's hours worked on or in connection with all covered contracts for that contractor for purposes of paid sick leave accrual.

An employer can cap accrual at 56 hours per year and an employee can carry over any unused amount. However, carried over paid sick leave cannot count toward any annual accrual limit. There is no maximum usage amount; an employee can use as much paid sick leave as he or she has accrued.

What are the Reasons Employees can Take Leave?

An employee working for a covered employer may take Federal Contractor Paid Sick Leave Law for an absence resulting from:

- an employee's physical or mental illness, injury, or medical condition;
- an employee's needs to obtain a diagnosis, care, or preventive care from a health care provider;
- caring for a family member who has a physical or mental illness, injury, or medical condition;
- assisting a family member to obtain a diagnosis, care, or preventive care from a health care provider;
- reasons related to domestic violence, sexual assault, or stalking.

Is the Paid Leave Job Protected?

Yes, Federal Contractor Paid Sick Leave is job protected. Additionally, an employer must reinstate the paid sick time if an employee is rehired within 12 months of a job separation.

What if I Have Other Questions, Such as: Who is an Eligible Employee, How does this Law Integrate with Other Paid Sick Leave Laws, How do I Calculate the Accrual, and More?

For questions about the Federal Contractor Paid Sick Leave Law, including whether you are a covered employer, which employees are eligible for paid leave, and how this paid sick leave interacts and integrates with state and local paid sick leave laws and other employer benefits, please contact a Jackson Lewis attorney.

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