

CONSTRUCTION BLOG

Federal Contractors: Are You Complying With New Paid Sick Leave Requirements?

AUTHOR: ROSS A. BODEN

Executive Order 13706 established *paid* sick leave requirements for federal contractors and subcontractors and went into effect on January 1, 2017. Non-complying contractors are subject to monetary damages, attorneys' fees, equitable relief, and/or debarment from future contracts.

How Many Hours Of Paid Sick Leave Are Required?

Fifty-six (56) hours annually. Unless employers elect to give employees all the hours upfront, employees accrue one (1) hour of paid sick leave for every thirty (30) hours of work. For example, it has been approximately eighteen weeks since the rule went into effect. If every employee working on a covered contract worked forty hours per week, then every employee on that job is currently entitled to twenty-four (24) hours of paid sick leave. Do not forget that the hours carry forward from year to year and can even survive termination if the employee is rehired within twelve months.

Are Contractors Required To Tell Their Employees About These New Rights?

Yes. Covered contractors must inform their employees in writing of the amount of paid sick leave they have accrued each pay period but no less than monthly.

Are All Federal Contracts Covered?

No. The new requirements apply to new contracts with the federal government issued on or after January 1, 2017. The new requirements do not apply to contracts issued before January 1, 2017 unless those contracts are renewed, extended or amended after January 1, 2017. Importantly, subcontractors must take notice that any subcontract of a covered contract is subject to the paid sick leave requirements. Other limitations apply.

What Is A Permissible Use Of Paid Sick Leave?

Employees may use their paid sick leave on: a physical or mental illness; obtaining preventive care; caring for a child, spouse, parent, domestic partner, or any other blood relative; or seeking relief or relocation due to domestic violence or sexual assault.

Are Employees Required To Give Advance Notice Of Their Leave?

It depends. If the need for leave was not foreseeable (i.e. employee's child woke up with the flu), then no. But if the employee had a routine and scheduled appointment, then yes, the request must be made seven (7) days in advance.

There are a number of other requirements, exceptions and limitations to these new rules. For more information or assistance, please contact Ross A. Boden at rboden@sandbergphoenix.com, 816.627.5536 or another member of Sandberg Phoenix's Construction Industry Team.