

## Publications

### **Labor and Employment Alert: President Obama Requires Federal Contractors to Provide Paid Sick Leave**

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#### **CLIENT ALERT | 9.10.2015**

On Labor Day, President Obama signed an Executive Order establishing paid sick leave for employees of federal contractors and subcontractors. This is similar to what several states and cities have mandated for private employers (including [Oregon](#); [Montgomery County, Maryland](#); and [Pittsburgh, Pennsylvania](#)). The Executive Order's requirements apply to all covered federal contracts that are solicited or awarded on and after January 1, 2017.

Federal contractors and subcontractors will have to provide their employees with one hour of paid sick leave for every 30 hours worked. Employees will be allowed to accrue up to 56 hours of sick leave annually and this leave carries over year to year. Paid sick leave can be used for an employee's own physical or mental illness, injury, or condition and preventative care; caring for the illness, injury, condition, or preventative care of a child, parent, spouse, domestic partner, or other family member; and for absences due to domestic violence, sexual assault, or stalking. Contractors will be required to provide leave upon an employee's oral or written request; the request must be made at least seven calendar days in advance if the need for the leave is foreseeable, and as soon as is practicable in other cases. Employees can be required to provide medical certification of the need for leave only for absences of three or more consecutive workdays. Contractors with existing paid leave policies may satisfy the Executive Order's requirements if the amount of leave is at least the same and may be used for the same purposes and under these same conditions.

The Executive Order does not require a contractor to pay an employee for unused sick leave upon separation from employment. However, accrued, but unused, sick leave must be reinstated for employees rehired by the contractor within 12 months of a job separation.

While the Executive Order imposes new burdens on federal contractors, the requirements do not take effect immediately and do not apply to existing contracts. In addition, the Department of Labor is required to adopt rules by September 30, 2016, in order to implement the Executive Order. Until that happens, contractors will not know the

exact parameters of their paid leave obligations. Contact your Vorys lawyer if you have questions about paid sick leave or other responsibilities of federal contractors.

