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It's Final: The DOL Issues Final Rule Providing Paid Sick Leave For Employees of Federal Contractors

by Jack Sullivan

Federal contractors must provide their employees up to seven days of paid sick leave each year under a final rule published September 30, 2016, by the U.S. Department of Labor ("DOL"). The DOL estimates that the final rule will provide paid sick leave to about 1.1 million employees, who will be eligible to take the leave for their own illnesses, to care for family, and for absences that result from domestic violence, sexual assault, and stalking.

The rule requires federal contractors to give employees at least 1 hour of paid sick leave for every 30 hours worked. Employers must allow employees to accrue at least 56 hours of paid sick leave over each calendar year. It applies to contracts that are solicited or awarded after January 1, 2017.

The DOL's rule comes as no surprise. President Barack Obama issued an executive order in 2015 requiring federal contractors to give employees paid sick leave. Proposed regulations followed, and on September 29, the DOL announced that the final rule would be published September 30, to take effect 60 days later.

More information about the rule is available here.

In addition to the impact of the DOL's rule on federal contractors, employers generally should continue to monitor the trend towards requiring paid sick leave for employees. Laws providing for paid sick leave have been enacted in four states (Connecticut, California, Massachusetts, and Oregon) and numerous cities (including Minneapolis, San Francisco, Washington, D.C., Seattle, and New York City). Employers can expect this trend to continue as federal, state, and city governments show no signs of slowing down the expansion of paid sick leave.

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