

# President Obama Orders Federal Contractors to Provide Paid Sick Leave

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By [James J. Murphy](#)

On Labor Day, President Obama announced a new Executive Order that will require federal contractors to provide employees with paid sick leave. The new order, anticipated to apply to new federal contracts entered into on or after January 1, 2017, will require covered federal contractors and subcontractors to provide at least one hour of paid leave for every 30 hours worked and will enable employees to earn up to 7 days or more of paid sick leave annually. Employees may use the paid time off to take care of themselves or family members and also for absences related to domestic violence, sexual assault, and stalking.

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The language of the order indicates that the leave requirements will apply to only those contractor employees who are employed “in the performance of the contract or any subcontract thereunder.” Ogletree Deakins will provide updates and clarifications on this important issue and others when the U.S. Secretary of Labor proposes implementing regulations.

For further details regarding [Executive Order 13706](#), see our article, “[President Obama Announces New Paid Sick Leave Requirements for Federal Contractors](#).”

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