



AUG 24 2018

Claiborne S. Guy
Director, Employment Policy & Practices
Associated General Contractors of America
2300 Wilson Boulevard, Suite 300
Arlington, VA 22201-3308

Re: Paid Sick Leave and CBA Question

Dear Mr. Guy:

This letter is in response to your December 10, 2017 email requesting evidence regarding the

[REDACTED]

application of Executive Order 13706, Establishing Paid Sick Leave for Federal Contractors ("EO") and the Department of Labor's Final Rule implementing the EO at 29 CFR Part 13. You

[REDACTED]

addressing vacation funds (redacted of identifying information), links to some publicly available complete CBAs, and six vacation and holiday plan trust fund agreements as representative samples.

As you acknowledge, an employer's contributions, pursuant to a CBA, to a vacation or health and welfare plan do not satisfy the literal language in section 13.4(f) excluding certain CBAs from the requirements of the EO and Part 13. Based on the information you provided to us, we conclude that the information and documents you have provided present no factual basis to treat an employer's contributions to a vacation or health and welfare plan as equivalent to paid sick



sickness or health care. It does not appear that such plans are regarded and used as a paid sick leave benefit.

Additionally, we note that the purpose of the temporary exclusion in section 13.4(f) was to “balance[] the importance of ensuring that the Executive Order applies to all employees entitled to its benefits promptly against the complications that could arise where an existing CBA provides for paid sick time in a manner that is similar to, but not sufficient to meet the requirements of, the paid sick leave provisions of part 13.” 81 Fed. Reg. 67598, 67623 (Sept. 30, 2016). We concluded in the Final Rule that the temporary exclusion was warranted in light of the

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