SUBJECT: “Mandatory” Paid Sick Leave for Federal Contractors not Applicable to Construction Activities Subject to Davis-Bacon Related Acts

Purpose:
To inform HUD Local Contracting Agencies (LCAs) and other clients that paid sick leave is not a requirement for contracts governed by Davis-Bacon and Related Acts (DBRA). HUD is making this Notice available due to the number of questions received by staff. Executive Order (EO) 13706, signed on September 7, 2015, established paid sick leave for federal contractors governed by the Davis-Bacon Act. This EO only applies when the federal government has directly hired the prime contractor.

How does this impact me?
For most HUD program participants, the EO will not apply to them. Most of HUD’s programs are funded through assistance to State, local or tribal governments or agencies, or by assistance in the form of mortgage insurance or guaranty.

Where can I find the Regulation that implemented the EO?
The U.S. Department of Labor published the regulation in the Federal Register on September 30, 2016. This document can be found at the U.S. Department of Labor website, https://www.dol.gov/whd/govcontracts/eo13706/.
Any questions regarding this Notice should be directed to HUD’s Regional DBLS staff with jurisdiction for your area. A list of Labor Standards contacts is available on our national webpage.

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