**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT**

**OMB CONTROL NUMBER: 1235-0029**

The U.S. Department of Labor (Department) proposes to extend its information collection request (ICR), Establishing Paid Sick Leave for Federal Contractors. The Department submits this ICR as an extension without change to existing requirements.

Part A: JUSTIFICATION

Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

On September 7, 2015, President Barack Obama signed Executive Order 13706, “Establishing Paid Sick Leave for Federal Contractors” (Order) [80 FR 54697](https://www.federalregister.gov/documents/2015/09/10/2015-22998/establishing-paid-sick-leave-for-federal-contractors), which established paid sick leave for Federal Contractors. The Order stated that the Federal Government’s procurement interests in efficiency and cost savings are promoted when the Federal Government contracts with sources that ensure workers on those contracts can earn paid sick leave. The Order therefore required parties that contract with the Federal Government to provide their employees with up to 7 days of paid sick time annually, including paid time allowing for family care. The Order directed the Secretary of Labor to issue regulations by September 30, 2016, to the extent permitted by law and consistent with the requirements of 40 U.S.C. 121, to implement the Order’s requirements. The final rule, at 29 CFR part 13, established standards and procedures for implementing and enforcing the paid sick leave requirements of Executive Order 13706. [81 FR 67598](https://www.federalregister.gov/documents/2016/09/30/2016-22964/establishing-paid-sick-leave-for-federal-contractors).

Among other requirements, the regulations at 29 CFR 13 require employers subject to the Order to make and maintain records for notifications to employees on leave accrual and requests to use paid sick leave, dates and amounts of paid sick leave used, written responses to requests to use paid sick leave, records relating to certification and documentation where an employer requires this from an employee using at least 3 consecutive days of leave, tracking of or calculations related to an employee’s accrual or use of paid sick leave, the relevant covered contract, pay and benefits provided to an employee using leave, and any financial payment for unused sick leave made to an employee on separation from employment.

Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

According to Executive Order 13706 and the regulations, no particular form of certification is required, and the certification may take the form of a simple statement. However, the regulations require employers and employees to make the third-party disclosures to fulfill the certification requirement. The third-party disclosures ensure that both employers and employees are aware of, and can exercise, their rights and meet their respective obligations under the Order. The recordkeeping requirements are necessary for the Department to carry out its obligation under section 4 of the Order to investigate potential violations and ensure compliance with the Order. The Wage and Hour Division (WHD) uses these records to determine employer compliance.

Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The regulations prescribe no particular order or form of records. The preservation of records in such forms as microfilm or automated word or data processing memory is acceptable, provided the employer maintain the information and provides adequate facilities to the Department for inspection, copying, and transcription of the records. In addition, photocopies of records are also acceptable under the regulations. Aside from the general requirement that all third-party notifications be in writing, there are no restrictions on the method of transmission. In the case of an overlap with Family and Medical Leave Act (FMLA) certification requirements, respondents may meet many of their notification obligations by using Department-prepared publications available on the WHD website, <https://www.dol.gov/agencies/whd/fmla/forms>. These forms are in PDF, fillable format for downloading and printing. Employers may maintain records in any format, including electronic, when adhering to the recordkeeping requirements covered by this information collection. However, note that for qualifying absences of more than 3 days the respondents, responses, and burdens for the certification are already captured in ICR 1235-0003.

## Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The Department notes that in the case of an overlap with requirements under the FMLA (29 U.S.C. 2601 *et seq*), employers may require a medical certification for qualifying leave reasons to eligible employees of covered employers for absences of more than 3 days. Section 2(i) of the Order allows an employer to require certification for an absence of 3 days or more. In the circumstance in which an employee is using FMLA leave, the FMLA certification will substitute for the Executive Order 13706 certification and therefore duplication will not be an issue. No similar information is available from any other source.

## If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.

While these information collections may involve some small businesses, the collections do not have a significant impact on the small businesses or other small entities.

## Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The Department uses records covered by this information collection to determine compliance, as required of the agency by Executive Order 13706. 80 FR 54697. Without the certifications, employers and employees would have difficulty knowing whether the leave meets a qualifying leave reason under the Order and employers and employees would have difficulty carrying out their rights and obligations under the Order.

## Explain any special circumstances that would cause an information collection to be conducted in a manner:

* **requiring respondents to report information to the agency more often than quarterly;**
* **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
* **requiring respondents to submit more than an original and two copies of any document;**
* **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
* **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
* **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
* **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
* **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information’s confidentiality to the extent permitted by law.**

There are no special conditions associated with these information collections.

## If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency’s notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and record-keeping, disclosure, or reporting format (of any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

On July 19, 2022, the Department published a notice in the *Federal Register* inviting public comment about this information collection ([87 FR 43059](https://www.federalregister.gov/documents/2022/07/19/2022-15313/agency-information-collection-activities-comment-request-establishing-paid-sick-leave-for-federal)). No comments were received.

## Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

The Department offers no payments or gifts to respondents in connection with this information collection.

## Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

The Department makes no assurances of confidentiality to respondents. As a practical matter, the Department would only disclose information collected under these requests in accordance with the provisions of the Freedom of Information Act (FOIA), 5 U.S.C. 552; and the attendant regulations, 29 CFR part 70, and the Privacy Act, 5 U.S.C. 552a; and related regulations, 29 CFR part 71.

## Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

The regulations authorize employers to require their employees to submit a certification for absences of 3 or more consecutive days to substantiate the need for paid leave. These records may contain sensitive information because of the personal and delicate nature of a request for leave that may address either the health condition of the employee or for providing family care, as well as for victims to address domestic violence, sexual assault, or stalking. However, the regulations indicate that a simple statement may suffice to limit access to such information.

## Provide estimates of the hour burden of the collection of information. The statement should:

* **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
* **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
* **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included under “Annual Cost to Federal Government.”**

As part of the final rule, the Department estimated affected workers. Using the methodology described in the 2016 rule at [81 FR 67598](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.federalregister.gov%2Fdocuments%2F2016%2F09%2F30%2F2016-22964%2Festablishing-paid-sick-leave-for-federal-contractors&data=05%7C01%7CDempsey.Angela.M%40dol.gov%7C5805791e619944c6a28608da60905aab%7C75a6305472044e0c9126adab971d4aca%7C0%7C0%7C637928470381821158%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=w%2B90YUNFHVxT6JmMeVcGttoxWWV5kCreXoA1uZEs2JI%3D&reserved=0), the Department calculated the estimated number of potentially affected contract workers and affected workers for all active contracts. To make these calculations, the Department used Bureau of Labor Statistics (BLS) May 2019 Occupational Employment and Wage Statistics (OEWS) data for the number of private employees by industry, gross output from the Bureau of Economic Analysis 2019 national income and product accounts tables, and contracting expenditures for covered contracts from the 2019 USASpending data. 2019 data was used to approximate the number of affected workers in 2022 to avoid any shifts in the data associated with the COVID-19 pandemic beginning in 2020. The calculations result in an estimate of 1.02 million affected workers. To estimate the number of affected employees in 2023-2025, the Department applied the calculated average annual geometric growth rate in employment based on the 10-year employment projection for 2014 to 2024 from BLS’ Employment Projections program and estimate the average number of affected workers is 1,039,200. The Department used this figure for burden estimates over the 3-year clearance period.

**Total Covered Workers:** 1,039,200

Certification

The regulations allow a contractor to require certification issued by a health care provider for use of paid sick leave if the employee uses paid sick leave of 3 or more consecutive workdays. (29 CFR 13.5(e)). The contractor may require that certification be provided no later than 30 days from the first day of leave. Id.

The Department estimates 1,039,200 workers have paid sick leave benefits as a result of Executive Order 13706. The most recent available data from the National Compensation Survey (NCS) indicates that workers in industries such as the financial activities industry, information industry, trade, transportation, and utilities industry, and professional and business services industry, on average use 4 days of sick leave per year. (<https://www.bls.gov/opub/mlr/cwc/paid-sick-leave-prevalence-provision-and-usage-among-full-time-workers-in-private-industry.pdf>)

Additionally, NCS indicates that the leisure and hospitality industry and those in the construction industry use 2 days of sick leave per year. The Department uses the 4 days of leave estimate for two reasons: (1) Executive Order 13706 allowed the use of leave for more than just sick leave. An employee may use the leave for family care, or an absence resulting from domestic violence, sexual assault, or stalking. EO 13706, section 2. The Department notes that because the Order is specific to government contracts which are more often applicable to Davis-Bacon Act (DBA) and Service Contract Act (SCA) employees, such employees are more likely to fall in the leisure and hospitality industry and construction industry which suggests use of the lower number of days (2 per employee) used from the NCS data. However, because the Order allows use of the paid leave for more than just sick leave, the Department believes the higher estimated number is appropriate; and (2) certification is not needed until at least 3 days of consecutive leave have been used and therefore use of the lower number would preclude the Department from estimating any burden associated with the certification. The Department does not believe such an analysis would be accurate. As a result, the Department uses the average of 4 days per worker but notes that the estimate will also be somewhat offset by the fact that FMLA-eligible employees (of which some are included in the employees who the Department estimates will be eligible for paid sick leave) will be required to follow the FMLA certification requirements for qualifying leave reasons of more than 3 consecutive days. Some of these employees discussed in this information collection are already captured and the burdens are accounted for in a separate ICR (1235-0003). The certification for leave taken under the Order may only be required by the employer in the instance when an employee takes 3 or more consecutive days of paid sick leave. While the Department is using the 4 days per worker average in proposing its estimates for this collection, most employees will not take the 4 days consecutively. Rather, most employees will use paid sick leave intermittently throughout the year.

The Department estimates that 15 percent of covered employees will use leave in a block of 3 consecutive days or more. Therefore, 155,880 employees (1,039,200× 0.15 =155,880) will use leave in blocks of 3 days or more. The Department further estimates that 5 percent of these employees (155,880 employees × 0.05 = 7,794) using block leave will be covered eligible employees under the FMLA and be subject to those certification requirements rather than the certification requirements of the regulations at 29 CFR part 13. The Department estimates the low percentage due to the high ratio of employers to employees listed above and contained in the economic analysis. Note that a covered employer for FMLA leave must have at least 50 employees and an employee must have worked for at least 1 year and 1,250 hours in the prior year to be eligible for FMLA leave. Therefore, 148,086 employees (155,880 total employees − 7,794 FMLA-covered employees = 148,086) will be subject to certification requirements.

**Certification Respondents: 148,086**

**Certification Responses: 148,086**

The certification may be a simple statement (as opposed to the FMLA certification optional-use forms which allow an employer to require substantially more information to be collected). The Department estimates respondent burden at 5 minutes to obtain the certification.

148,086 employees × 5 minutes per certification = 740,430 minutes

740,430 minutes ÷ 60 minutes per hour = 12,341 burden hours (rounded)

**Certification Burden Hours: 12,341**

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

12,341 hours × $29.95 = $369,613 (rounded)

12,341 hours × ($29.95 × 45%) = $166,326 (rounded)

12,341 hours × ($29.95 × 17%) = $62,834 (rounded)

$369,613 + $166,326 + $62,834 = $598,773

**Certification Monetized Burden Cost: $598,773**

The Department estimates burden for a third party (e.g. health care provider) to complete the simple statement certification in item 13.

Recordkeeping

The regulations identify records to be kept by employers. (29 CFR 13.25). These include: (1) name, address, and social security number of each employee; (2) the employee’s occupation(s) or classification(s); (3) the rate or rates of wages paid (including all pay and benefits provided); (4) the number of daily or weekly hours worked; (5) any deductions made; (6) the total wages paid (including all pay and benefits provided) each pay period; (7) a copy of notifications to employees of the amount of paid sick leave the employees have accrued; (8) a copy of employees’ requests to use paid sick leave, if in writing, or if not in writing, any other records reflecting such requests; (9) dates and amounts of paid sick leave used by employees, leave must be designated in records as paid sick leave pursuant to Executive Order 13706; (10) a copy of any written responses to employees’ requests to use paid sick leave, including explanations for any denials of such requests; (11) any records relating to certification and documentation a contractor may require an employee to provide for taking 3 or more consecutive days of leave; (12) records showing any tracking of or calculations related to an employee’s accrual and/or use of paid sick leave; (13) the relevant covered contract; (14) the regular pay and benefits provided to an employee for each use of leave; and (15) any financial payment made for unused paid sick leave upon a separation from employment intended to relieve a contractor or successor contractor from the obligation to reinstate such paid sick leave. Items 1-6 are already required under the Fair Labor Standards Act, SCA, DBA, and their governing regulations. These burdens are captured in ICR 1235-0018.

#### Records of Paid Sick Leave

While maintaining records of leave is a customary and normal business practice, the Department believes the added requirement that leave must be designated in records as paid sick leave pursuant to Executive Order 13706 adds an additional burden to employers. However, once systems are adjusted, the overall burden to actually record the leave as paid sick leave pursuant to the Order will be minimal beyond the normal course of recording leave. The Department therefore estimates one (1) minute per employee.

1,039,200 employees × 4 annual paid sick days = 4,156,800 paid sick days recorded

**Records of Paid Sick Leave Respondents: 1,039,200**

**Records of Paid Sick Leave Responses: 4,156,800**

1,039,200 employees × 1 minute ÷ 60 minutes × 4 times annually = 69,280 burden hours (rounded)

**Records of Paid Sick Leave Burden Hours: 69,280**

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

69,280 hours × $29.95 = $2,074,936

69,280 hours × ($29.95 × 45%) = $933,721 (rounded)

69,280 hours × ($29.95 × 17%) = $352,739 (rounded)

$2,074,936 + $933,721 + $352,739 = $3,361,396

**Records of Paid Sick Leave Monetized Burden Cost: $3,361,396**

#### Records of Cash-Out

The regulations indicate that an employee should provide notice of at least 7 calendar days if the need for leave is foreseeable. The regulations require a contractor to inform an employee in writing of the amount of paid sick leave the employee has accrued but not used, no less than once each pay period or each month, whichever interval is shorter, as well as upon a separation from employment, and upon reinstatement of paid sick leave. 29 CFR 13.5(a)(2), (b)(4). As a result, employers will need to track leave requests and leave use. Generally, estimates should not include burden hours for customary and usual business practices. Tracking of hours and leave use is a customary and usual business practice and therefore no burden is estimated for these requirements. However, the Department estimates a burden for notice requirements below.

Paid sick time shall be reinstated for employees rehired by a contractor within 12 months after job separation. Section 13.5(b)(5) of the regulations explain that if a contractor makes a payment to the employee for any unused accrued leave upon separation, that contractor is relieved of the obligation to reinstate the leave upon rehiring. The Department notes that cashing out unused leave may not be a customary and usual business practice of all employers. Employers normally have wide latitude in determining whether to cash out or reinstate accrued leave for employees. As an overestimate, the Department estimates that all affected employers will incur a burden in this recordkeeping requirement. An employer with a cash-out policy has to maintain a record of any financial payments made for unused paid sick leave upon a separation from employment, pursuant to § 13.25(a)(15).

While most employees who leave employment will not subsequently return within 12 months, employers have no way of knowing which employees will leave employment and return within a 12-month period and thus, an employer that does not have a cash-out policy needs to maintain the records for all employees who are affected by the Order. As noted above, the Department estimates 1,039,200 employees are covered by the Executive Order. Many employers will already have such capability in their current benefits recordkeeping systems. Some employers will elect to maintain such records in paper form. However, the Department notes that once the leave has been recorded (accounted for above), maintaining the records does not add additional burden.

**Records of Cash Out Respondents:** 1,039,200

**Records of Cash Out Responses:** 1,039,200

The Department estimates that creation of the record of financial payment will take approximately 5 minutes per employee. Therefore, the time burden of 5 minutes is applied to the entire universe of respondents below.

1,039,200 employees × 5 minutes per employee ÷ 60 minutes per hour = 86,600 burden hours

**Records of Cash Out Burden Hours: 86,600**

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

86,600 hours × $29.95 = $2,593,670

86,600 hours × ($29.95 × 45%) = $1,167,152 (rounded)

86,600 hours × ($29.95 × 17%) = $440,924 (rounded)

$2,593,670 + $1,167,152 + $440,924 = $4,201,746

**Records of Cash Out Monetized Burden Cost: $4,201,746**

Notice Requirements

The regulations require a contractor to provide notice of the amount of paid sick leave an employee has accrued but not used no less than once each pay period or each month, whichever interval is shorter, as well as upon a separation from employment, upon reinstatement of paid sick leave, and when use of sick leave is denied. 29 CFR 13.5(a)(2), (b)(4), and (d)(3). Contractors must also post a notice at the worksite. 29 CFR 13.26(a).

1. Notice of Accrued Sick Leave

The Department returns to the number of workers with access to paid sick leave benefits for this estimate (1,039,200). For the requirement that notice is provided once each pay period or each month, whichever interval is shorter, the Department estimates the burden using a semimonthly pay period, or 24 times a year. The Department estimates 1 minute per employee.

1,039,200 employees × 24 responses per year = 24,940,800 responses

**Notice of Accrued Sick Leave Respondents: 1,039,200**

**Notice of Accrued Sick Leave Responses: 24,940,800**

1,039,200 employees × 1 minute per employee ÷ 60 minutes × 24 pay periods = 415,680 burden hours

**Notice of Accrued Sick Leave Burden Hours: 415,680**

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

415,680 hours × $29.95 = $12,449,616

415,680 hours × ($29.95 × 45%) = $5,602,327 (rounded)

415,680 hours × ($29.95 × 17%) = $2,116,435 (rounded)

$12,449,616 + $5,602,327 + $2,116,435 = $20,168,378

**Notice of Accrued Sick Leave Burden Cost = $20,168,378**

1. Notice After Separationand Reinstatement

For the requirement that notice be provided upon separation from employment, the Department estimates that 10% of employees will separate from employment annually and be entitled to notice.

1,039,200 employees × 0.10 = 103,920 notices

103,920 notices × 1 minute ÷ 60 minutes = 1,732 burden hours

For the requirement that notice be provided upon reinstatement, the Department estimates that 10% of employees will be reinstated annually and be provided notice.

1,039,200 employees × 0.10 = 103,920 notices

103,920 notices × 1 minute ÷ 60 minutes = 1,732 burden hours

**Notice After Separation and Reinstatement Respondents: 207,840**

**Notice After Separation and Reinstatement Responses: 207,840**

(103,920 separation notices + 103,920 reinstatement notices)

**Notice After Separation and Reinstatement Burden Hours: 3,464**

(1,732 separation burden hours + 1,732 reinstatement burden hours)

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

3,464 hours × $29.95 = $103,747 (rounded)

3,464 hours × ($29.95 × 45%) = $46,686 (rounded)

3,464 hours × ($29.95 × 17%) = $17,637 (rounded)

$103,747 + $46,686 + $17,637 = $168,070

**Notice After Separation and Reinstatement Monetized Burden Cost: $168,070**

#### Notice of Denial

The regulations note that a contractor may communicate its approval of a request for leave orally or in writing. However, denials must be in writing with an explanation of the denial. *See* 29 CFR 13.5(d)(3).

As noted above, the Department estimates 1,039,200 employees will request 4 days (i.e., instances of leave requests) per year. 1,039,200 × 4 = 4,156,800 total days requested. The Department estimates 5 percent will be denied (either because the leave is not accrued or a non-qualifying reason for the leave is provided).

4,156,800 × 0.05 = 207,840 denials

**Notice of Denial Respondents: 207,840**

**Notice of Denial Responses: 207,840**

Each denial must be in writing with an explanation. The Department estimates such a written notice will take 5 minutes to complete.

207,840 denials (responses) × 5 minutes ÷ 60 minutes = 17,320 burden hours

**Notice of Denial Burden Hours: 17,320**

To estimate employer burden costs, the Department uses data for a non-supervisory Human Resources Specialist. To calculate this cost, the median hourly wage for a Human Resources Specialist is used (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes131071.htm>). The median hourly wage is $29.95, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

17,320 hours × $29.95 = $518,734

17,320 hours × ($29.95 × 45%) = $233,430 (rounded)

17,320 hours × ($29.95 × 17%) = $88,185 (rounded)

$518,734 + $233,430 + $88,185 = $840,349

**Notice of Denial Monetized Burden Cost: $840,349**

#### Notice of Paid Sick Leave Requirements

29 CFR 13.26(a) requires that contractors notify all employees performing work on or in connection with a covered contract of the paid sick leave requirements of Executive Order 13706 by posting a notice provided by the Department of Labor in a prominent and accessible place at the worksite so it may be readily seen by employees. The regulations require all covered contractors, including those whose contracts are DBA- or SCA-covered, to display the poster. Providing notice solely on wage determinations is insufficient. Since the poster is created and provided by the Department and the employer is merely required to post the poster (either physically or electronically), there is essentially no significant burden for this requirement.

Totals

As shown in the table below:

* The total respondents for certification, recordkeeping and notice are: 1,039,200[[1]](#footnote-3)
* The total responses for certification, recordkeeping, and notice are: 30,700,566
* The total burden hours for certification, recordkeeping, and notice are: 604,685
* The total monetized burden cost for certification, recordkeeping, and notice is: $29,338,712

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Respondents** | **Responses** | **Burden Hours** | **Monetized Burden Cost** |
| Certification | 148,086 | 148,086 | 12,341 | $598,773 |
| Records of Paid Sick Leave | 1,039,200 | 4,156,800 | 69,280 | $3,361,396 |
| Records of Cash Out | 1,039,200 | 1,039,200 | 86,600 | $4,201,746 |
| Notice of Accrued Sick Leave | 1,039,200 | 24,940,800 | 415,680 | $20,168,378 |
| Notice After Separation and Reinstatement | 207,840 | 207,840 | 3464 | $168,070 |
| Notice of Denial | 207,840 | 207,840 | 17,320 | $840,349 |
| Notice of Paid Sick Leave Requirements | 1,039,200 | 0 | 0 | 0 |
| **Totals** | **1,039,200\*** | **30,700,566** | **604,685** | **$29,338,712** |

## Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information (Do not include the cost of any hour burden already reflected on the burden worksheet).

* **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
* **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
* **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

Theregulations allow an employer to require a certification for absences covered by the Order of 3 days or more. The proposal allowed the certification to be a simple statement giving enough information to establish the employee’s need to be absent from work. The Department estimates the number of respondents to be 148,086 (*see* analysis above under 12. A. Certification) and the number of responses to be the same number.

**Third Party Disclosure Responses: 148,086**

The Department accounts for the third-party disclosures involved in the certification here. Often the certification will be completed by the health care provider’s office staff. To account for that burden the Department estimates 5 minutes per response.

148,086 × 5 minutes ÷ 60 minutes = 12,341 burden hours (rounded)

**Third Party Disclosure Burden Hours: 12,341**

The employer burden cost for this requirement is calculated using the median hourly wage for a Physician Assistant (BLS OEWS May 2021, <https://www.bls.gov/oes/current/oes291071.htm>). (Note that the certification does not have to be completed by a medical doctor, although it may be). The median wage data for the Physician Assistant is $58.43 per hour, with an additional 45% benefits cost (2021 annual civilian averages, <https://www.bls.gov/ncs/data.htm>) and 17% overhead cost.

12,341 hours × $58.43 = $721,085 (rounded)

12,341 hours × ($58.43 × 45%) = $324,488 (rounded)

12,341 hours × ($58.43 × 17%) = $122,584 (rounded)

$721,085 + $324,488 +122,584 = $1,168,157

**Third Party Disclosure Burden Costs = $1,168,157**

## Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

This information collection does not result in annualized costs to the federal government.

## Explain the reasons for any program changes or adjustments reported on the burden worksheet.

There are two reasons for program changes: the decrease in affected employees as estimated by Table 8 in the final rule and an increase in wage, benefit, and overhead costs for human resource specialists and physician assistants as per the OEWS.

## For collections of information whose results are planned to be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The Department does not plan to publish results of this information collection.

## If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The Department is not requesting an exception to the requirement to display the expiration date on this information collection.

## Explain each exception to the topics of the certification statement identified in “Certification for Paperwork Reduction Act Submissions.”.

The Department is not requesting an exception to the certification requirements for these information collections.

# Part B: EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.

1. The respondent total reflects the maximum number, not a sum, of employer respondents that must make a response for a respective employee. Note that some respondent actions may require multiple responses. [↑](#footnote-ref-3)