

118TH CONGRESS
2D SESSION

S. 4003

To require employers to provide paid annual leave to employees, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 20, 2024

Mr. SANDERS (for himself and Mr. PADILLA) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To require employers to provide paid annual leave to employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Guaranteed Paid Vac-a-
5 tion Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) COMMERCE.—The terms “commerce” and
9 “industry or activity affecting commerce”—

1 (A) mean any activity, business, or industry
2 in commerce or in which a labor dispute
3 would hinder or obstruct commerce or the free
4 flow of commerce; and

5 (B) include “commerce” and “industry af-
6 flecting commerce”, as defined in paragraphs
7 (1) and (3) of section 501 of the Labor Man-
8 agement Relations Act, 1947 (29 U.S.C. 142(1)
9 and (3)).

10 (2) EMPLOYEE.—The term “employee” means
11 an individual who is—

12 (A)(i) an employee (as defined in section
13 3(e) of the Fair Labor Standards Act of 1938
14 (29 U.S.C. 203(e)) who is not covered under
15 any other provision of this paragraph, including
16 an employee of the Library of Congress, except
17 that a reference in such section to an employer
18 shall be considered a reference to an employer
19 described in paragraph (3)(A)(i)(I);

20 (ii) an employee of the Government Ac-
21 countability Office; or

22 (iii) an employee of a covered employer de-
23 scribed in paragraph (3)(B)(i)(V);

24 (B) a State employee described in section
25 304(a) of the Government Employee Rights Act

1 of 1991 (42 U.S.C. 2000e–16c(a)), other than
2 an applicant for employment;

3 (C) a tipped employee, as defined in sec-
4 tion 3(t) of the Fair Labor Standards Act of
5 1938 (29 U.S.C. 203(t)), who is not covered
6 under subparagraphs (B), (D), (E), or (F);

7 (D) a covered employee, as defined in sec-
8 tion 411(c) of title 3, United States Code;

9 (E) a covered employee, as defined in sec-
10 tion 101 of the Congressional Accountability
11 Act of 1995 (2 U.S.C. 1301), other than an ap-
12 plicant for employment; or

13 (F) a Federal officer or employee covered
14 under subchapter V of chapter 63 of title 5,
15 United States Code (without regard to the limi-
16 tation in section 6381(1)(B) of that title), who
17 is not covered under subparagraph (D).

18 (3) EMPLOYER.—

19 (A) IN GENERAL.—The term “employer”
20 means a person who is—

21 (i)(I) a covered employer who is not
22 described in any other subclause of this
23 clause;

(II) an entity employing a State employee described in section 304(a) of the Government Employee Rights Act of 1991;

(III) an employing office, as defined in section 101 of the Congressional Accountability Act of 1995;

(IV) an employing office, as defined in section 411(c) of title 3, United States Code; or

(V) an employing agency covered under subchapter V of chapter 63 of title 5, United States Code; and

(ii) engaged in commerce (including government), or an industry or activity affecting commerce (including government).

(B) COVERED EMPLOYER.—

(i) IN GENERAL.—In subparagraph (A)(i)(I), the term “covered employer”—

(I) means any person engaged in commerce or in any industry or activity affecting commerce who employs an employee for each working day during each of 20 or more calendar workweeks in the current or preceding year;

(II) includes the Government Accountability Office and the Library of Congress;

(III) includes any public agency;

(IV) includes—

(aa) any person who acts,

directly or indirectly, in the interest of an employer covered by this clause to any of the employees of such employer; and

(bb) any successor in inter-

est of such an employer; and

(V) includes any carrier (as such term is defined in section 1 of the
Interstate Commerce Act (49 U.S.C. 101 et seq.)) or any carrier by air (as described in
section 201 of such Act (45 U.S.C. 411)).

(ii) PUBLIC AGENCY.—For purposes of clause (i)(III), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(iii) DEFINITIONS.—For purposes of this subparagraph:

(A) subject to subparagraph (B), means paid vacation leave, paid personal leave, paid leave provided on an annual basis (provided under this Act or otherwise), or any other form of paid leave provided to an employee by the

1 employer of such employee to be used on days
2 (other than nonworkdays established by State
3 or Federal law) in which the employee would
4 otherwise work and receive pay; and

5 (B) does not include—

6 (i) leave provided under the Family
7 and Medical Leave Act of 1993 (29 U.S.C.
8 2601, et seq.); or

9 (ii) any form of sick leave.

10 (5) SECRETARY.—The term “Secretary” means
11 the Secretary of Labor.

12 (6) SICK LEAVE.—The term “sick leave” means
13 leave provided to an employee by the employer of
14 such employee for reasons such as personal medical
15 needs, family care or bereavement, care of a family
16 member with a serious health condition, or adoption-
17 related purposes, including leave required to be pro-
18 vided for such reasons under State or Federal law.

19 (7) STATE.—The term “State” has the mean-
20 ing given the term in section 3 of the Fair Labor
21 Standards Act of 1938 (29 U.S.C. 203).

22 **SEC. 3. EARNED PAID ANNUAL LEAVE.**

23 (a) EARNING OF PAID ANNUAL LEAVE.—

24 (1) EARNING OF ANNUAL LEAVE.—An employer
25 shall provide each employee employed by the em-

1 ployer not less than 1 hour of paid annual leave for
2 every 25 hours worked by the employee.

3 (2) LIMIT.—For purposes of complying with
4 paragraph (1), an employer shall not be required to
5 provide more than 80 hours of paid annual leave to
6 an employee during any 12-month period.

7 (3) COMMENCEMENT OF EARNING PAID AN-
8 NUAL LEAVE.—An employee shall begin to earn paid
9 annual leave at the commencement of employment of
10 such employee.

11 (4) OVERTIME EXEMPT EMPLOYEE.—For pur-
12 poses of this section, an employee who is exempt
13 from overtime requirements under section 13(a)(1)
14 of the Fair Labor Standards Act of 1938 (29 U.S.C.
15 213(a)(1)) shall be deemed to work 40 hours in each
16 workweek.

17 (b) USE OF PAID ANNUAL LEAVE.—

18 (1) IN GENERAL.—Paid annual leave earned
19 under subsection (a)(1) may be used by an employee
20 for any reason.

21 (2) TIMING.—Subject to paragraphs (2) and
22 (3) of subsection (c) and except as provided in sub-
23 section (d)(2), an employee may use paid annual
24 leave earned by the employee under subsection
25 (a)(1)—

(A) beginning on the 60th calendar day after the commencement of employment of such employee; or

(B) at any time before such calendar day at the discretion of the employer of such employee.

7 (3) RATE OF COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), an employee using paid annual leave earned under subsection (a)(1) shall be compensated, for the period that the employee is using such leave, at the same rate at which the employee would have been paid for such period if the employee were not using the paid annual leave.

22 (i) the minimum wage required under
23 section 6(a) of the Fair Labor Standards
24 Act of 1938 (29 U.S.C. 206(a));

(4) LOANING OF ANNUAL LEAVE.—

(B) USE OF LOANED LEAVE.—Except as provided in subparagraph (C), paid annual leave loaned under subparagraph (A) shall be treated as if earned under subsection (a)(1).

17 (C) REIMBURSEMENT FOR LOANED
18 LEAVE.—

(ii) RATE.—Reimbursement under clause (i) shall be at the applicable rate described in paragraph (3).

8 (c) PROCEDURES FOR USE OF PAID ANNUAL
9 LEAVE.—

14 (2) EMPLOYEE NOTIFICATION.—

(ii) not more than 14 days before the day on which the employee intends to use the paid annual leave.

(B) EMERGENCY.—Notwithstanding subparagraph (A), an employer shall waive any notice requirement and allow the use of paid annual leave earned under subsection (a)(1) in the case of an emergency or a situation in which an employee can not provide timely notice to an employer for the use the paid annual leave.

(3) REASONABLE RESTRICTIONS.—Notwithstanding paragraph (1), an employer may—

(5) PROHIBITION ON FINDING COVER.—An employer may not require, as a condition of using paid annual leave earned under subsection (a)(1), that an

1 employee search for or find a replacement worker to
2 cover the hours during which the employee is using
3 such paid annual leave.

4 (d) PROCEDURES REGARDING LEAVE FOR EM-
5 PLOYEE SEPARATION.—

6 (1) REIMBURSEMENT.—Upon the termination
7 of the employment of an employee, the employer of
8 the employee shall provide financial reimbursement,
9 at the applicable rate described in subsection (b)(3),
10 to such employee for all paid annual leave earned by
11 the employee under subsection (a)(1) that is unused
12 as of the date of the termination.

13 (2) REINSTATEMENT.—If the employment of an
14 employee with an employer is terminated and the
15 employee is subsequently rehired by the employer
16 within 12 months after that termination—

17 (A) the employer shall reinstate the em-
18 ployee's previously earned paid annual leave;
19 and

20 (B) the employee shall be entitled to use
21 such leave and earn additional paid annual
22 leave under subsection (a)(1) at the re-
23 commencement of employment with the em-
24 ployer.

1 **SEC. 4. NOTICE REQUIREMENTS.**

2 (a) NOTICE REQUIREMENT.—An employer shall no-
3 tify each employee of the employer about the paid annual
4 leave policy of such employer, which shall include the in-
5 formation described in subsection (b), by—

6 (1) providing such information, in writing, to
7 each employee on or before the first day of employ-
8 ment of such employee;

9 (2) including such information in any employee
10 handbook; and

11 (3) posting a notice containing such informa-
12 tion in a physical conspicuous place on the premises
13 of the employer or a virtual conspicuous place, where
14 notices to employees are customarily posted.

15 (b) CONTENTS.—The information provided pursuant
16 to subsection (a) shall include—

17 (1) the paid annual leave policy of such em-
18 ployer, including any paid annual leave policy that
19 provides paid annual leave in excess of the require-
20 ments of this Act;

21 (2) information pertaining to the filing of an
22 action under section 6;

23 (3) details of any notice requirement the em-
24 ployer may require, as described in section 3(c)(2);
25 and

26 (4) information regarding—

7 SEC. 5. PROHIBITED ACTS.

8 (a) INTERFERENCE WITH RIGHTS.—It shall be un-
9 lawful for any employer to interfere with, restrain, or deny
10 the exercise of, or the attempt to exercise, any right pro-
11 vided under this Act, including—

20 (3) counting paid annual leave under a no-fault
21 attendance policy or any other absence-control pol-
22 icy.

23 (b) INTERFERENCE WITH PROCEEDINGS OR INQUI-
24 RIES.—It shall be unlawful for any person to discharge or
25 in any other manner discriminate against (including retali-

1 ating against) any individual, including a job applicant,
2 because such individual—

3 (1) has filed an action under section 6, or has
4 instituted or caused to be instituted any proceeding,
5 under this Act;

6 (2) has given, or intends to give, any informa-
7 tion in connection with any inquiry or proceeding re-
8 lating to any right provided under this Act; or

9 (3) has testified, or intends to testify, in any in-
10 quiry or proceeding relating to any right provided
11 under this Act.

12 **SEC. 6. ENFORCEMENT AND INVESTIGATIVE AUTHORITY.**

13 (a) IN GENERAL.—

14 (1) DEFINITION.—In this subsection—

15 (A) the term “employee” means an em-
16 ployee described in subparagraph (A), (B), or
17 (C) of section 2(2); and

18 (B) the term “employer” means an em-
19 ployer described in subclause (I) or (II) of sec-
20 tion 2(3)(A)(i).

21 (2) INVESTIGATIVE AUTHORITY.—

22 (A) IN GENERAL.—To ensure compliance
23 with this Act, or any regulation or order issued
24 under this Act, the Secretary shall have, subject
25 to subparagraph (C), the investigative authority

1 provided under section 11(a) of the Fair Labor
2 Standards Act of 1938 (29 U.S.C. 211(a)),
3 with respect to employers, employees, and other
4 individuals affected by an employer.

5 (B) OBLIGATION TO KEEP AND PRESERVE
6 RECORDS.—An employer shall make, keep, and
7 preserve records pertaining to compliance with
8 this Act in accordance with section 11(c) of the
9 Fair Labor Standards Act of 1938 (29 U.S.C.
10 211(c)) and in accordance with regulations pre-
11 scribed by the Secretary.

12 (C) REQUIRED SUBMISSIONS GENERALLY
13 LIMITED TO AN ANNUAL BASIS.—The Secretary
14 may not require, under the authority of this
15 paragraph, an employer to submit to the Sec-
16 retary any books or records more than once
17 during any 12-month period, unless the Sec-
18 retary has reasonable cause to believe there
19 may exist a violation of this Act or any regula-
20 tion or order issued pursuant to this Act, or is
21 investigating a charge pursuant to paragraph
22 (4).

23 (D) SUBPOENA AUTHORITY.—For the pur-
24 poses of any investigation provided for in this
25 paragraph, the Secretary shall have the sub-

1 poena authority provided for under section 9 of
2 the Fair Labor Standards Act of 1938 (29
3 U.S.C. 209).

4 (3) PRIVATE RIGHT OF ACTION.—

5 (A) IN GENERAL.—An action to recover
6 damages or equitable relief prescribed in sub-
7 paragraph (B) may be maintained against any
8 employer in any Federal or State court of com-
9 petent jurisdiction by an employee or individual
10 or a representative for and on behalf of—

- 11 (i) the employee or individual; or
12 (ii) the employee or individual and
13 others similarly situated.

14 (B) LIABILITY.—Any employer who vio-
15 lates section 5 (including a violation relating to
16 rights provided under section 3) shall be liable
17 to any employee or individual affected—

- 18 (i) for damages equal to—
19 (I) the amount of—
20 (aa) any wages, salary, em-
21 ployment benefits, or other com-
22 pensation denied or lost by rea-
23 son of the violation; or
24 (bb) in a case in which
25 wages, salary, employment bene-

1 fits, or other compensation have
2 not been denied or lost, any ac-
3 tual monetary losses sustained as
4 a direct result of the violation up
5 to a sum equal to 80 hours of
6 wages or salary for the employee
7 or individual;

(D) LIMITATIONS.—

1 later than 2 years after the date of the last
2 event constituting the alleged violation for
3 which the action is brought.

4 (ii) WILLFUL VIOLATION.—In the
5 case of such an action brought for a willful
6 violation of section 5 (including a willful
7 violation relating to rights provided under
8 section 3), such action may be brought not
9 later than 3 years after the last event con-
10 stituting the alleged violation for which
11 such action is brought.

12 (iii) COMMENCEMENT.—In deter-
13 mining when an action is commenced
14 under this paragraph or paragraph (4) for
15 the purposes of this subparagraph, the ac-
16 tion shall be considered to be commenced
17 on the date when the complaint is filed.

18 (4) ACTIONS BY THE SECRETARY.—

19 (A) ADMINISTRATIVE ACTIONS.—The Sec-
20 retary shall receive, investigate, and attempt to
21 resolve complaints of violations of section 5 in
22 the same manner that the Secretary receives,
23 investigates, and attempts to resolve complaints
24 of violations of sections 6 and 7 of the Fair

1 Labor Standards Act of 1938 (29 U.S.C. 206
2 and 207).

3 (B) CIVIL ACTION.—The Secretary may
4 bring an action in any court of competent juris-
5 diction to recover the damages described in sub-
6 section (a)(3)(B)(i).

7 (C) SUMS RECOVERED.—Any sums recov-
8 ered by the Secretary pursuant to subparagraph
9 (B) shall be held in a special deposit account
10 and shall be paid, on order of the Secretary, di-
11 rectly to each employee or individual affected.
12 Any such sums not paid to an employee or indi-
13 vidual affected because of the inability to do so
14 within a period of 3 years shall be deposited
15 into the Treasury of the United States as mis-
16 cellaneous receipts.

17 (D) ACTION FOR INJUNCTION BY SEC-
18 RETARY.—The district courts of the United
19 States shall have jurisdiction, for cause shown,
20 in an action brought by the Secretary—

21 (i) to restrain violations of section 5
22 (including a violation relating to rights
23 provided under section 3), including the re-
24 straint of any withholding of wages, salary,
25 employment benefits, or other compensa-

(b) EMPLOYEES COVERED BY CHAPTER 5 OF TITLE
3, UNITED STATES CODE.—The powers, remedies, and
procedures provided in chapter 5 of title 3, United States
Code, to the President, the Merit Systems Protection
Board, or any person, alleging a violation of section
412(a)(1) of that title, shall be the powers, remedies, and
procedures this Act provides to the President, that Board,

1 or any person, respectively, alleging an unlawful employ-
2 ment practice in violation of this Act against an employee
3 described in section 2(2)(D).

4 (c) EMPLOYEES COVERED BY CONGRESSIONAL AC-
5 COUNTABILITY ACT OF 1995.—The powers, remedies, and
6 procedures provided in the Congressional Accountability
7 Act of 1995 (2 U.S.C. 1301 et seq.) to the Board (as de-
8 fined in section 101 of that Act (2 U.S.C. 1301)), or any
9 person, alleging a violation of section 202(a)(1) of that
10 Act (2 U.S.C. 1312(a)(1)) shall be the powers, remedies,
11 and procedures this Act provides to that Board, or any
12 person, alleging an unlawful employment practice in viola-
13 tion of this Act against an employee described in section
14 2(2)(E).

15 (d) EMPLOYEES COVERED BY CHAPTER 63 OF TITLE
16 5, UNITED STATES CODE.—The powers, remedies, and
17 procedures provided in title 5, United States Code, to an
18 employing agency, provided in chapter 12 of that title to
19 the Merit Systems Protection Board, or provided in that
20 title to any person, alleging a violation of chapter 63 of
21 that title, shall be the powers, remedies, and procedures
22 this Act provides to that agency, that Board, or any per-
23 son, respectively, alleging an unlawful employment prac-
24 tice in violation of this Act against an employee described
25 in section 2(2)(F).

1 (e) REMEDIES FOR STATE EMPLOYEES.—

2 (1) WAIVER OF SOVEREIGN IMMUNITY.—A
3 State's receipt or use of Federal financial assistance
4 for any program or activity of a State shall con-
5 stitute a waiver of sovereign immunity, under the
6 11th Amendment to the Constitution or otherwise,
7 to a suit brought by an employee of that program
8 or activity under this Act for equitable, legal, or
9 other relief authorized under this Act.

10 (2) OFFICIAL CAPACITY.—An official of a State
11 may be sued in the official capacity of the official by
12 any employee who has complied with the procedures
13 under subsection (a)(3), for injunctive relief that is
14 authorized under this Act. In such a suit, the court
15 may award to the prevailing party those costs au-
16 thorized by section 722 of the Revised Statutes (42
17 U.S.C. 1988).

18 (3) APPLICABILITY.—With respect to a par-
19 ticular program or activity, paragraph (1) applies to
20 conduct occurring on or after the day, after the date
21 of enactment of this Act, on which a State first re-
22 ceives or uses Federal financial assistance for that
23 program or activity.

24 (4) PROGRAM OR ACTIVITY DEFINED.—In this
25 subsection, the term “program or activity” has the

1 meaning given the term in section 606 of the Civil
2 Rights Act of 1964 (42 U.S.C. 2000d–4a).

3 **SEC. 7. EFFECT ON EXISTING EMPLOYMENT BENEFITS.**

4 (a) **MORE PROTECTIVE.**—Nothing in this Act shall
5 be construed to diminish the obligation of an employer to
6 comply with any contract, collective bargaining agreement,
7 or any employment benefit program or plan that provides
8 greater paid annual leave or other leave rights to employ-
9 ees or individuals than the rights established under this
10 Act.

11 (b) **LESS PROTECTIVE.**—The rights established for
12 employees under this Act shall not be diminished by any
13 contract, collective bargaining agreement, or any employ-
14 ment program or plan.

15 **SEC. 8. AWARENESS CAMPAIGN.**

16 (a) **IN GENERAL.**—Not later than 1 year after the
17 date of enactment of this Act, the Secretary shall carry
18 out a public awareness campaign to inform the public
19 about the earned paid annual leave entitlement established
20 under this Act, which shall include information about—

21 (1) the rights provided to an employee under
22 this Act; and

23 (2) resources available to an employee if the
24 employee believes the rights provided under this Act
25 have been violated.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated such sums as are nec-
3 essary to carry out this section.

4 **SEC. 9. EFFECTIVE DATES.**

5 (a) EFFECTIVE DATE.—Except as provided in sub-
6 section (b), this Act shall take effect 180 days after the
7 date of enactment of this Act.

8 (b) COLLECTIVE BARGAINING AGREEMENTS.—In the
9 case of an applicable collective bargaining agreement in
10 effect on the effective date prescribed under subsection
11 (a), the Act shall take effect on the earlier of—

12 (1) the date of the termination of such agree-
13 ment;

14 (2) the date of any amendment, made on or
15 after such effective date, to such agreement; or

16 (3) the date that occurs 18 months after such
17 effective date.

