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News & Types: Employment, Labor & Benefits Update

Masuda Funai Employment Newsflash - Federal Contractor and Subcontractor Employees Must Be Vaccinated

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On September 9, 2021, President Biden issued an Executive Order that requires federal contractor and subcontractor employees to be vaccinated against COVID-1. There is no negative testing option. On September 24, 2021, the Safer Federal Workforce Task Force provided initial guidance supporting the President's Executive Order. The Guidance mandates that federal contractors and subcontractors with a covered contract (1) require COVID-19 vaccinations of all covered contractor employees, except in limited circumstances, (2) comply with specific masking and physical distancing standards, and (3) designate a person to coordinate COVID-19 workplace safety efforts at a covered workplace. A new clause mandating these requirements will be inserted into all new federal contracts awarded on or after November 14, 2021. Generally, covered contractor employees must be fully vaccinated by the first day of performance on a newly awarded contract, and by the first day of performance on an exercised option or renewed contract when the requirement is included in the contract.

The Guidance includes terms that are defined very broadly. Clearly, the President's intent is to reach most of the prime contractors and subcontractors in the federal supply chain. All employees within a company, and not only those employees who directly work on the federal contract, will likely be subject to the vaccination mandate. If your company is currently a federal contractor or subcontractor or is currently bidding on a federal project, we strongly encourage you to review the latest guidance or call with compliance questions.

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