No Republican senators have signed onto a bill to give federal contractors backpay after the shutdown

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Vox, January 29, 2019

Many have pushed for backpay for government employees, however.



<u>A growing number of Republican Senators</u> have slammed the negative effects of the government shutdown, yet none have signed on to a bill <u>guaranteeing back pay for contractors</u>, a group of federal workers that's been hit especially hard by the stalemate.

While Sen. Tina Smith (MN), one of the legislation's chief sponsors, has now racked up support for the bill from more than 20 Democrats, not a single Republican has officially backed it so far, according to a spokesperson for Smith. Lawmakers are hopeful this could change, however.

"I don't know of any Republican opposition to this," says Sen. Chris Van Hollen (MD), a bill sponsor, adding that he hopes the legislation could be added to any final spending package that funds the government. In the House, Rep. Ayanna Pressley (MA) has also introduced a companion bill.

Many federal contractors, unlike other government employees, are not expected to get back pay for the paychecks they missed during the 35-day shutdown. Because they work for a third-party company that the government pays for its services, contractors don't get paid when these services aren't used. During past shutdowns, contractors have been forced to simply chalk up this gap in pay as a loss.

As many as 580,000 contractors, including cafeteria workers, security guards, and IT consultants could be affected by the shutdown in this way, according to NYU public service professor Paul Light. (Depending on the company they work for, some contractors may have received their pay uninterrupted during the shutdown.)

For those who did see breaks in their wages, it's a gaping hole they're being asked to recover from with little recourse. "Thirty-five days is a historically long shutdown," says Van Hollen. "The economic pain and damage was more severe [than past ones.] There are lot of people who were left out in the cold for no fault of their own."

<u>Contractors have told Vox</u> that they struggled with bills for everything from medication to baby formula to childcare during the shutdown. <u>As the Washington Post reported</u>, some contractors even saw their health insurance coverage put on pause because their employers weren't able to cover worker premiums.

While the shutdown is now over, its effects are expected to have an outsized impact on many workers for months to come.

What the Senate bill would do

The Senate bill, which has been dubbed the <u>Fair Compensation for Low-Wage Contractor Employees Act</u>, would require federal agencies to work directly with companies that contract to them in order to provide back pay for the employees caught up in the shutdown.

As Smith has explained, federal agencies have already allocated money in their budgets to cover contractor costs that have not been doled out because of the shutdown. Her bill would simply ask these agencies to pay out what they would have spent anyway.

"If you think about it, they're paying people for work they would have done but for the shutdown," Smith said. "In many cases, that money was already budgeted; it just hasn't been spent."

The bill is especially focused on providing full back pay for low-wage individuals, but would also offer some compensation for higher-income earners, according to Smith's spokesperson. Agencies could provide workers <u>up to \$965 per week in back pay</u>, if the bill passes.

The legislation would also create a special account to pay out these funds, the senator said, noting that it expands a mechanism that already exists for reimbursing contractors for shutdown costs.

Agencies could actually pay contractors without any legislation

While legislation could help codify the practice of repaying federal contractors after a shutdown, agencies could actually directly pay out these contracts without any legislation at all, according to a union representative.

"The public should be aware that agencies do in fact have the ability to immediately and single-handedly provide workers back pay, without forcing members of Congress into the long and uphill battle of passing legislation," said Jaime Contreras, a vice president of 32BJ SEIU, a union representing building services workers. "In this way, federal agencies are holding a lifeline to rescue workers who are drowning in bills through no fault of their own. Agencies must fulfill their moral and financial obligation to repay workers for a shutdown these men and women had nothing to do with."

The Office of Management and Budget could direct agencies to examine their budgets and determine how much it would cost to cover contractor wages that were not paid out during the shutdown, the union representative added.

Prior to the end of the shutdown, House and Senate Democrats had urged OMB to do just that.

"Government contracts typically have provisions to modify the terms of the contract," they wrote. "Federal contracting officers should use these provisions to work with contractors to provide back pay for employees who lost wages as a result of the government shutdown."

OMB did not immediately respond to a request for comment and Van Hollen said lawmakers haven't heard back from the agency.

As things stand right now, both the administration and Congress are leaving contractors in the lurch.