

Breaking: Section 3610 Extended Until December 11, 2020

September 30, 2020

WHAT: Congress voted to extend Section 3610 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which authorizes (but does not require) agencies to reimburse contractors for the cost of paid leave incurred to keep contractor or subcontractor personnel in a “ready state” to the extent that the personnel were (i) unable to access a government-approved facility, and (ii) unable to telework because their jobs could not be performed remotely. The CARES Act limited reimbursement of costs to those incurred through September 30, 2020. Congress extended the Section 3610 authority through December 11, 2020 as part of a continuing resolution (CR) to extend funding for the government.

WHEN: The CR passed the House on September 22, 2020, and the Senate on September 30, 2020. The President is expected to sign the CR shortly.

WHAT DOES IT MEAN FOR INDUSTRY: The extension of Section 3610 allows contractors to seek reimbursement of costs incurred after September 30, 2020. Contractors should continue to seek reimbursement of costs that are allowable under Section 3610, and should consider updating any existing requests to include additional costs through December 11, 2020. Contractors should also consider submitting their requests as soon as practicable because some agencies may have limited funding available for reimbursements.

Wiley’s cross-disciplinary team will continue to monitor developments regarding implementations of the CARES Act and its impact on contractors.

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